

THE SYDNEY ENTREPRENEURS 1788-1821.

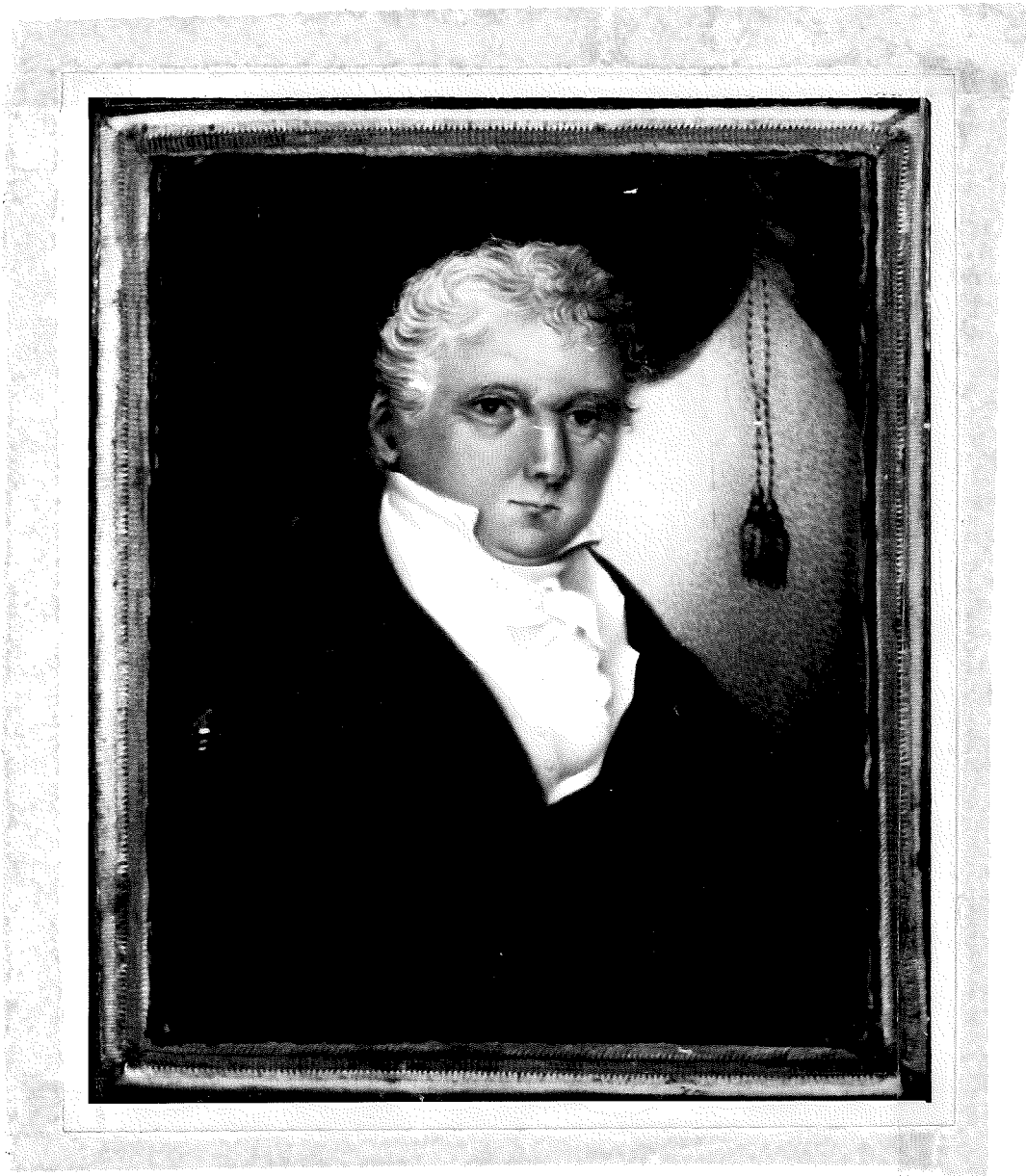
A Study in Colonial Enterprise with Particular Reference

to the Career of Simeon Lord.

by

D.R. Hainsworth.

Thesis submitted for the Degree of Doctor
of Philosophy in History. University of
Adelaide. December 1969.



SIMEON LORD 1771-1840

(From the miniature in the Mitchell Library)

Contents

	<u>Page</u>
<u>Acknowledgements</u>	iii
<u>Illustrations</u>	v
<u>Abbreviations</u>	vi
<u>INTRODUCTION</u>	1
<u>PROLOGUE</u>	15
 <u>PART ONE - THE FOUNDERS</u>	
Chapter One The Officers' Initiative	27
Chapter Two The Emancipist Emerges	51
 <u>PART TWO - THE DEVELOPMENT OF COMMERCE</u>	
Chapter Three Themes and Influences: The Store, Spirits and the Currency Problem	66
Chapter Four The Quest for Merchandise	95
Chapter Five Patterns of Trade in Sydney 1800-1821	129
 <u>PART THREE - IN SEARCH OF A STAPLE</u>	
Chapter Six The Need for Staples	176
Chapter Seven The Shipping Interest	179
Chapter Eight Sealing: The Harvest and the Harvesters	200
Chapter Nine Sealing: The Markets	233
Chapter Ten The Pacific Frontier: Pork and Sandalwood	245
 <u>PART FOUR - ALTERNATIVE ENTERPRISES</u>	
Chapter Eleven The Dawn of Industry	281
Chapter Twelve The Contractors	332
<u>EPILOGUE - A Prison Transformed</u>	352
<u>APPENDICES</u>	360
<u>BIBLIOGRAPHY</u>	384

" In truth, the eighteenth century British Empire
was a business man's world - a world of cockets,
of ledgers, of bills of sale."

Lawrence Henry Gipson

Acknowledgements

This study is the product of nearly nine years part-time research and writing on the early Sydney traders, and I should like to express my gratitude to those who made that research possible, and to those who by their advice and encouragement have sought to make it fruitful. First to the Trustees of the Public Library of New South Wales and the Principal Librarian, Mr G.D. Richardson, for having the vision to create a three year research fellowship in the Mitchell Library, so that the more obscure parts of that great collection might become better known, and for their generosity in making me its first beneficiary; to the Department of History at the University College of Townsville and, since 1965, at the University of Adelaide for their support of further research.

I should particularly like to thank Dr J.M. Tregenza for patient, generous and cogent supervision during the writing of the thesis, a supervision which survived even the onset of sabbatical leave; thanks also to Professor A.G.L. Shaw for much early advice and encouragement; to the late Vivian de Vaux Voss, whose tragic death in 1963 was a heavy loss to Australian historiography, for first drawing my sceptical attention to Macarthur's entrepreneurial significance; to H.E. Maude and J.M.R. Young for stimulating my interest in Australia's 'Pacific frontier'; to Gerald P. Walsh for generously putting his unrivalled knowledge of early Australian industrialists at my service; to Douglas Pike and Bede Nairn for allowing me to consult large numbers of biographies in manuscript prior to the publication of the Australian Dictionary of Biography; to Dr Margaret Steven

for permitting me to borrow her thesis on Robert Campbell prior to its publication; to B.H. Fletcher and Michael Roe for permitting me to borrow their unpublished theses; to T.G. Parsons and G.J. Abbott for kindly allowing me to read articles in manuscript and to Dr Paul LeRoy for material published and unpublished; to Professors Alan Martin, John McCarty and Geoffrey Blainey, to David S. Macmillan, Dorothy Shinsberg, J.H. Cumpston, Brian Stuckey and Dawn Troy, for encouragement, advice or assistance; to Pamela Hailles for preparing this and other manuscripts associated with the project; finally to my wife, who has endured the presence of the shade of Simeon Lord in her household with exemplary stoicism for far too long.

D.R. Hainsworth,

The University of Adelaide
December 1969.

Illustrations

Simeon Lord, from the miniature in the gallery of
the Mitchell Library

Frontispiece

Simeon Lord's Bridge Street mansion

p. 130.

Abbreviations

- Abbott and Nairn (Growth): G.J. Abbott and N.B. Nairn, Economic Growth of Australia, Melbourne 1969.
- Bigge (Agriculture): J.T. Bigge, Report on the Agriculture and Trade of New South Wales, London 1823.
- Butlin (Foundation): S.J. Butlin, The Foundation of the Australian Monetary System 1788-1851, Melbourne 1953.
- Collins (1798): David Collins, An Account of the English Colony in New South Wales (1st Edtn.), London 1798.
- Collins (1804): as above (2nd Edtn.), London 1804.
- C.S.I.L.: Colonial Secretary In-Letters.
- C.S.L.B.: Colonial Secretary Letter Books.
- Cumpston (Shipping): J.H. Cumpston, Shipping Arrivals and Departures, Sydney, 1788-1825, Canberra 1964.
- Hainsworth (Builders): D.R. Hainsworth (Ed.), Builders and Adventurers. The Traders and the Emergence of the Colony 1788-1821, Melbourne 1969.
- H.R.A. I: Historical Records of Australia, Series I.
- H.R.N.S.W.: Historical Records of New South Wales.
- Maude (1969): H.E. Maude, Of Islands and Men. Studies in Pacific History, Melbourne 1969.
- R. of A.: Register of Assignments (Photocopy in Mitchell Library).
- S.C.P.: Supreme Court Papers, various bundles as numbered.
- Steven (Campbell): M.J.E. Steven, Merchant Campbell, Melbourne 1965.

INTRODUCTION



The purpose of this work is to set down the results of a prolonged investigation of the activities of the Sydney entrepreneurs during the thirty or so years which lie between their first stirrings in the last months of Phillip's governorship and the departure of Governor Macquarie in December 1821. It seeks primarily to examine and estimate the contribution of the entrepreneurs to the transformation of the dismal prison farm of 1788 to the bustling colony which astonished J.T. Bigge in 1819. Along the way it seeks to solve a number of other questions, narrower in scope but significant to early Australian history or to entrepreneurial and business history. What prompted these enquiries? When I first read the pioneer historians of early Australia I accepted uncritically their picture of a long struggle fought between on one side devoted and public spirited governors, bent on founding a stable colony of time-expired convicts and free settlers, and on the other, a clique of self-interested officer-official traders and pastoralists, bent only on satisfying their own avarice. This picture of rehabilitated refuse from English prison hulks deprived of their opportunity to make good on small freehold farms by the greed of their betters using rum as bait and debt as a trap is highly coloured and moved the liberal conscience. Two historians who did much to propagate it were Bryan Fitzpatrick and Dr H.V. Evatt.¹ Both were members of the Australian Labor Party, a political organisation which has always been dedicated to protecting the feeble many from the powerful few. Very naturally since politics in the twentieth century was

1. B. Fitzpatrick, British Imperialism and Australia 1788-1823: An Economic History of Australia, London 1939; H.V. Evatt, Rum Rebellion, Sydney 1938.

more important to them than the history of the nineteenth century, their twentieth century pre-occupations coloured their vision of the past. Unfortunately it also clouded it. Historians with an opposed political commitment did no better when they did no worse. Professor A.O.G. Shann's version of early New South Wales economic history is no more satisfactory.² A distinguished modern historian has compared a historical subject to a mountain.³ Seen from different vantage points the mountain exhibits very different, even contradictory, shapes, but this does not mean that the mountain has no single, three dimensional shape. It means rather that the true form, even in a rough generalised way, cannot be determined from one or even two vantage points. The writings of Shann, Fitzpatrick and Evatt, and some other writers who have followed their differing leads, demonstrate the validity of this comparison very strikingly. Their stance is too restricted. As a result their vision, though often compelling and always interesting, is distorted.

I first became aware of this in 1960 as a research student on the staff of the Mitchell Library when my attention was drawn to the career of the emancipist trader Simeon Lord, and still more when I realised that Lord was only the most outstanding in a crowd of entrepreneurs, many of them ex-convicts, and most possessed of no initial capital other than an inborn talent for making money. The New South Wales colony in the days of King and Bligh, it quickly became clear, was not economically in the clutches of

2. A.O.G. Shann, Economic History of Australia, 1930.

3. E.H. Carr, What is History?, London 1964.

a monopolistic clique of privileged men. More important, however, was the discovery that from its earliest days the colony was a land of opportunity for those who had the vision and ingenuity to exploit it. A by-product of this approach, therefore, is the realisation that there was another side to the convict system besides the horrors so vividly depicted by Price Warung and Marcus Clark. It was not simply free settlers and officials who found the infant settlement a scene of opportunity, and in commerce a career open to talent. It was not just that the Sydney commercial community was larger than the pioneer historians had suggested, but that this community was so very diverse in composition that it was a very microcosm of the colony as a whole. Not only do the pioneers not explain this phenomenon, they show no awareness of its existence. For example in the index to Shann's Economic History of Australia there are no references to the leading entrepreneurs such as the Underwoods, Henry Kable, etc, while Andrew Thompson and Simeon Lord are only referred to as magistrates. There are no references either to sealing, sandalwood, whaling, shipbuilding, contracting (at least for the period to 1821), and Fitzpatrick is similarly silent. "When the year 1800 opened" he writes "ninety per cent of Australia's four hundred farmers and most of the New South Wales population of 5,000 were economically in utter subjection to two dozen of their number."⁴ While he does not name the two dozen, the reader must conclude from the context that they were either officers of the New South Wales Corps or self-interested civilian officials in alliance with them. This would be an exaggerated picture even for the 1790s, and indeed misses the point that it was during the period of the officers' "monopoly" that the emancipist entrepreneurs began careers which

4. Fitzpatrick, op. cit., p. 93.

were to carry many of them to affluence. Fitzpatrick also wrote that the monopolistic economic system which the "captains and subalterns, surgeons and commissaries" had established "was maintained, in spite of the Crown, during most of the long war period."⁵ In fact the year 1800 ushered in a period of fierce competition, conducted by a numerous and diverse body of traders, and ironically the only major trader who was unable to stand the pace of this competitive period was Paymaster Cox of the New South Wales Corps who defaulted sensationally in 1803.⁶

The view of the pioneers was not simply restricted because of their twentieth century preoccupations, for they suffered from a disadvantage for which they cannot be blamed. They saw the period through the eyes of a succession of harrassed governors. They had what might be called the Government House verandah point of view. Although the view is elevated the true historical form of this period cannot be descried from it. It is not surprising that the pioneers should have concentrated on the governors. The documentary sources were much more restricted in their scope and availability before the second world war and their chief source had to be the Historical Records of Australia. This magnificent collection comprises the dispatches to and from the governors and such of the enclosures as the editors were able to locate. It suffers, therefore, from an inbuilt weakness: the dispatches, at best, told Whitehall what the Governor believed

5. Fitzpatrick, op. cit., p. 91.

6. C. Hartley Grattan has suggested that the 'Rum Rebellion' of 1808 was "in a sense a last ditch effort of the officer group to maintain itself rather than a demonstration of its indisputable power." I believe this interesting suggestion to be mistaken for the commercial significance of the men holding the King's commission in January 1808 was already slight; Grattan, The Southwest Pacific to 1900, Ann Arbor 1963, p. 55.

to be true; at worst they told what the Governor wished Whitehall to believe although he knew better. At all times the dispatches told only what the Governor believed to be relevant or important.⁷ One recalls that Governor Bligh demanded what he had to do with John Macarthur's sheep. The fact that Bligh could not see that the great flock had any importance to anyone other than its owner - in spite of Whitehall's strong support of Macarthur's fine wool vision - is an interesting demonstration of how restricted a governor's view of what was important might be. My description of the origins of colonial shipbuilding (in Chapter Seven below) provides a clear illustration of the capacity of the dispatches to deceive the unwary. The pioneers had to rely heavily on the dispatches and as a result, although both Shann and Fitzpatrick were ostensibly writing economic history, when describing this early period they seem to be writing political and administrative history.⁸ It may be that Fitzpatrick believed that there was no worthwhile economic history to write, in any detailed, 'business history',

-
7. The Historical Records of New South Wales, although a more varied source and useful, only goes to 1811, and its choice of documents is too random to serve as a complete corrective to the Historical Records of Australia. As James Stephen wrote to Earl Grey in March 1850: "Commentators on colonial or any other history who confine themselves to official documents are as sure to go wrong as if they entirely overlooked them." Quoted in N.D. McLachlan, Historical Studies, Australia and New Zealand, Vol. 13, No. 52, April 1969, p. 477.
8. In his introduction to Fitzpatrick Dr Evatt observed that "a close analysis of all the legal contests between 1788 and 1820 has not yet been made. But in my opinion the result will be to corroborate the essential truth of Fitzpatrick's thesis." In 1961 and 1962 I read not only the account of proceedings of every civil action between 1788 and 1814 which has survived, but all the appeals court papers which have survived up to the late 1820s. I also had the unusual luck to be the first person to read the case papers, affidavits, documents offered in evidence, etc, relating to the major civil suits. As will be clear from the references large portions of the following work are based on these records. Dr Evatt was absolutely right to predict that these cases could prove a major historical source but I believe that far from substantiating Fitzpatrick's thesis they undermine it by revealing a very different colony from the one he so vividly describes.

sense. Hartley Grattan wrote of Fitzpatrick as "making clear that the first distortion of an Imperial policy was simply a straight-out, exploitive monopoly, engineered by a small group of military men, which made no dynamic contribution to Australia's development."⁹ This obsession with the officers' monopoly blinded Fitzpatrick, in spite of his great gifts, to the fact that this period from 1788 to 1821 was the seed time of Australia socially and economically. In it the foundations of Australian economic development were laid, and much occurred that was in the highest degree dynamic.¹⁰ In view of this a history which is focussed on the policies of the governors, the policies of the home government, and the support or opposition they evoked will inevitably fall very short of telling the history of the economic foundations of Australia.

During the past decade Australian historians have sought to provide the student with fresh vantage points. They have got off the verandah. Professors Manning Clark, A.G.L. Shaw, S.J. Butlin, Geoffrey Blainey, Dr Margaret Steven, among others, have published books which give us new insights into the early history of the colony, and happily this is a continuing process. This work has the same object: to add to our knowledge of early

-
9. Quoted by Evatt in the introduction to Fitzpatrick, op. cit., p. 10.
 10. Recently thirteen authors have combined to produce a 360-page book on this very topic, seen in its broadest aspects, cf. G.J. Abbott and B. Nairn (Eds) Economic Growth of Australia 1788-1821, hereafter referred to as Abbott & Nairn (Growth).
 11. C.M.H. Clark, A History of Australia, Vol. I, Melbourne 1962; A.G.L. Shaw, Convicts and the Colonies, London 1966; S.J. Butlin, The Foundation of the Australian Monetary System 1788-1851, Melbourne 1953; Geoffrey Blainey, The Tyranny of Distance, Melbourne 1966; M.J.E. Steven, Merchant Campbell, Melbourne 1965; other authors of shorter but important studies would include G.P. Walsh, B.H. Fletcher, G.J. Abbott, T.G. Parsons, J.M.R. Young, H.E. Maude. See also Bibliography p. 393 below.

Australian history, by studying the Sydney traders and examining the part they played in transforming a prison into a colony. It seeks to describe and explain the emergence of a class of affluent entrepreneurs from the ranks of the convicts, the petty officials and the free settlers during the 1790s. It examines their failures as well as their successes because when one is studying the foundation period of any society, and inevitably studying a very small group of people very intently, every action taken, every venture launched, every dream which some enterprising man seeks to transform into reality, has an importance apart from the immediate result. The first Sydney entrepreneurs were men creating a business community six months voyage from Europe on the edge of an inhospitable wilderness. They were men writing in wet clay, which once hardened, would bear their mark for ever. They marked the trails and set the precedents. Later merchants, industrialists and financiers, proud of their professionalism and their bourgeois respectability, no doubt looked back at their predecessors and thought them a rum lot. Simeon Lord and his like did not conform to the pattern approved of - ostensibly at least - in the Victorian counting houses and board rooms.

No matter, the odd, raffish, unorthodox trading community which grew in the unlikely environment of the Sydney penal settlement at the beginning of the nineteenth century had founded Australian commerce, industry and even banking. They had helped to create a colony out of a prison by erecting a business community and a commercial structure suitable to a colony but increasingly unsuitable to a prison. Their experience, their ambitions, whether far-ranging or restricted, their readiness to leap in the dark and take the hazard, all played a part in shaping the economic environment for generations to come. The fact that their number was small in comparison to

larger communities does not invalidate them as an object of study: rather it makes them all the worthier of our closest scrutiny. In England men like Simeon Lord, James Underwood, Andrew Thompson or Samuel Terry would probably never have risen from provincial obscurity. Even if they had become entrepreneurs they would simply have formed a minor and anonymous part of that vast throng of businessmen whose efforts made up the "industrial revolution". Removed to Sydney, whether as convicts like Simeon Lord, or gentleman-traders like Robert Campbell, they emerge as genuine historical figures. They do this not because they were colourful nor because some became successful and affluent, but because of what they did. Because they laid the foundations of Australian trade, manufacturing, shipbuilding, exporting, opened the Pacific sea-lanes for Australian traders, and fought to establish connections with Asia and Europe and America, we must know how they did it. We must know what they did, where they succeeded and why some aspirations remained partly or wholly unfulfilled.

I said many questions had presented themselves. Here are just a few of them: why and how were the officers able to establish a monopoly of commerce in the 1790s? What form did it take and how long did it persist? How did the emancipist traders who emerge from obscurity in 1800 get their start? How numerous and how diverse was the Sydney business community during this seedtime? What difficulties did it have to overcome and how did it seek to overcome them? How could a shipbuilding industry be founded in a colony in which shipbuilding was forbidden? Why did the sealing industry emerge after 1800 and what was its true significance to the colony's economy? How was it possible to pioneer trade links with London and the Indies in the era

of the East India Company monopoly? How significant was colonial industry? What kinds of colonists engaged in it and where did they obtain their capital? What other kinds of colony building activity lured the entrepreneur? There are many questions which the writer would like to answer but cannot, because the records simply will not support a firm conclusion. This is particularly true of profit and loss, especially the former. We have almost no records which show this specifically, and there are very few ventures of which records survive which show this even indirectly. The most complete set of records surviving for a major entrepreneur is the Macarthur Papers and even here the documents for his early projects have survived haphazardly and one cannot achieve precision. Thus although in the following chapters attempts are made to assess profit and loss on individual ventures, or the relative profitability of competing opportunities for investment, such assessments can only be tentative.¹² Fundamental questions can be tackled, nevertheless, and the chapters as they succeed each other seek to reveal what were the times and life of a Sydney entrepreneur in the first generation of settlement and what part did he play in that period.

Naturally this is only one aspect of the economic history of the colony to 1821, although a major one with wide spreading ramifications. Although the full story of the economic growth of the colony is too large a subject to be tackled here - for it would have to include large sections

12. Dr Steven suggests that the difficulties of assessing profit and loss are due to the rudimentary bookkeeping methods of the time and the absence of specific estimates of profit and loss. My scrutiny of such collections as the Hassall, Mansell, Redfern, Wentworth and Macarthur Papers, among others, bears out this view completely; Steven in Abbott and Mairn (Growth), p. 133.

on land, agriculture and grazing, and a greater attention to government policies - the story of the entrepreneurs contributes much to our understanding of that growth. In Abbott and Nairn's broad survey of the colony's economic growth, published earlier this year, Dr Steven has contributed a chapter on enterprise. In it she makes the valuable point that the entrepreneur cannot be ignored because, since he exploits resources in new ways and holds the key to the growth of a colonial economy, he will largely determine the nature of the economy which emerges from the formative years.¹³ It is because I strongly shared this view of the entrepreneurs' significance that I sought to excavate from the dusty and tumbled fragments of their records the secrets of their schemes and projects. Of course, in the drama of the emergence of the colony from its squalid and unhopeful beginnings the Sydney entrepreneurs were only one of several groups of influential protagonists, which included governors, farmers, pastoralists, public servants, political figures like Hobart, Liverpool and Bathurst, and such friends of colonial progress as Sir Joseph Banks. This work is devoted to the entrepreneurs because although several historians have recognised that they were important,¹⁴ the part they played has never been analysed in detail and neither their origins nor their operations have been explained.¹⁵

-
13. Steven, op. cit., p. 119. It would perhaps be truer to say that the entrepreneur is the 'prime mover' but in his shaping of the colonial economy there is necessarily a continuous dialogue - sometimes harmonious sometimes acrimonious, with the colonial governor whose policies exert a strong though varying influence. However, I agree with many of the general points in this chapter. I strongly disagree with some of the more specific of her statements, but these I will consider at the relevant points in the following chapters. (See below particularly pages 47-48, 169-170, 189).
14. E.g. C.M.H. Clark, A History of Australia, Vol. I and esp. pp. 198-199.
15. As is indicated by the substantial number of entrepreneurs who missed inclusion in the Australian Dictionary of Biography, e.g. Robert Williams, rope-maker, William Roberts, road builder, Thomas Hutchinson, artificer and entrepreneur, William Hobart Mansell and James Chisholm, extensive traders.

I have said that some historians tended to over-emphasise the role of the governors in founding and developing the colony. They had to for they were trapped by the logic of their position. If private enterprise was monopolistically controlled by some two dozen avaricious men bent on sailing home as Botany nabobs, who but the governors could have built the colony? The following chapters present a very different picture, but I have no wish to decry the very real achievements of Macquarie, or even King. The work seeks to present a more balanced picture, not to substitute one distortion for another. Moreover/^{if}there is no intent, in describing the work of the entrepreneurs, to sentimentalise or even whitewash an aggressively acquisitive body of men, neither is there any intent to criticise such men for believing in unfettered enterprise in the era of the Industrial Revolution.

This then is a work of 'trading history' rather than economic history, more concerned with traders than trade cycles, but always concerned with the influence of their actions. In studies of the economic history of past communities, as Dr Steven has said, enterprise is a factor of production and growth which "tugs economic analysis off balance and confronts it with the seamless garment of human endeavour."¹⁶ The activities of human beings are idiosyncratic, and when the historian is examining the actions of relatively small groups of them within a small and peculiarly constituted community like the early New South Wales penal settlement, it is difficult indeed to make those broad and illuminating syntheses which stud the work of economic historians devoted to such abstract factors as labour, land and capital. In writing this study I have repeatedly been reminded of

16. Steven in Abbott and Mairn (Growth), p. 119.

Ashton's dictum that "it is the wills and choices and acts of men and women that are the ultimate data for historian and economist alike."¹⁷ This study must concern itself with individual men, individual firms, individual schemes, operations, enterprises. While questions are asked and hypotheses are constructed I have tried to avoid building over-elaborate structures of theory on too narrow a foundation of fact. Generalise we must, and seek constantly by this close scrutiny of the actions of individual men to illuminate a broader picture. But when we do so we must be content to construct these general propositions from a series of individual actions or events, for this impressionistic technique is forced upon us both by the records, which are fragmentary, often appear contradictory, and have survived haphazardly, and by the restricted number of the protagonists. So far as the records are concerned it is only fair to say that, however maddening their condition or incompleteness may be, the research for this study has shown that a greater volume of business records has survived than would once have been thought possible. Some, like the account books in the Macarthur Papers, have been known to exist for years but have been put to little use. Others, like the rich store of accounts, correspondence, agreements and affidavits preserved in the Supreme Court collection and which were first unfolded by this writer in 1961, are just becoming known.¹⁸

17. T.S. Ashton, 'The relation of economic history to economic theory', Economica, N.S., xiii, 1946, pp. 96-97.

18. The occasion on which I unfolded a battered and much folded bundle of paper, its exterior buried in grime and its formerly pink ribbon long since faded to white, and found Simeon Lord's complete accounts with his London brokers, 1804-1809, is still a vivid and cherished memory.

So far as the restricted number of the protagonists is concerned I have been consoled by the dictum of Professor Arthur H. Cole that "to study the 'entrepreneur' is to study the central figure in modern economic history and ... the central figure in economics."¹⁹ The years 1788 to 1821, comprising as they do the first generation of settlement, and including developments which as surely spelled doom for the prison as they did success for the colony, are the seedtime of the Australian commonwealth. In such a germinating epoch individual men have a protean significance, for even their mistakes, their failures, their very whims and fancies can be pregnant with future significance. Thus I believe this study of the entrepreneurs will be useful to other students of the period whether they are concerned with the commercial aspects of British imperial history or Australian historians seeking another viewpoint on the origins of their society.

Although Simeon Lord figures largely in the following chapters and is referred to in the subsidiary title to the work, this is more than a life of Lord. Although some fellow workers suggested several years ago that I make my topic a biography of Lord I rejected the idea at the time on the ground that I did not believe there were records enough for such a project. Today I would be less pessimistic for I have found scores of records relating to Lord's many interests, and large parts of this study are based upon these sources. However, I am even more sure now that my decision to look at the colonial entrepreneurs as a group was correct, and for a better

19. Arthur H. Cole, "An Approach to the Study of Entrepreneurship" in F.C. Land and J.C. Riemersma (Eds) Enterprise and Secular Change, London 1953, p. 187.

reason. Lord is fascinating and ubiquitous, and few indeed are the forms of colonial enterprise in which he was not involved. However he seems to me too large, too idiosyncratic, too a-typical a figure to present in isolation without running the risk of distorting one's view of the period. To be obsessed by Lord would be no more useful than to be obsessed by the 'Rum Corps'. Lord needs to be placed in his true setting, amid the bustle and hub-bub of the quarrelling, competing entrepreneurs, large and small, who thronged the dusty streets of what Alexander Riley exasperatedly called "this pigmy port". Otherwise, for the myth of the New South Wales Corps we may simply have substituted a myth of Simeon Lord.

PROLOGUE: THE ENVIRONMENT.

He recommended sending a large Number of Persons... their Escape would be very difficult, as the Country was far distant from any Part of the Globe inhabited by Europeans. And being asked, whether he conceived the Mother Country was likely to reap any Benefit from a Colony established in Botany Bay? he replied, If the People formed among themselves a Civil Government they would necessarily increase, and find occasion for many European Commodities; and it was not to be doubted that ... New Holland ... would furnish Matter of advantageous Return.

Sir Joseph Bank's testimony.¹

Before we can understand the history of the Sydney traders in the first generation of Australian settlement we have to understand the environment in which they lived. We cannot understand their actions, their shifts and stratagems, unless we understand their problems, their weaknesses, above all the pressures upon them. In this work, therefore, I have frequently had to turn back to government and its policies, whether distant and distracted from Whitehall, or close at hand from the study of Government House. No matter how stubborn and recalcitrant individual traders might be, no matter how formidable they occasionally might be as a group as in January 1808, for example, the policies of distant bureaucrats and politicians, local governors and officials had a continuing and powerful impact on their business lives. Before the impact of official policies can be considered, however, it would be wise to reflect on other impersonal forces which shaped the traders' environment. The transformation of the dismal penal settlement of 1788 into the bustling colony of 1821 has the

1. Journals of the House of Commons 1778-1780, Vol. 37, quoted in J.F. Gilchrist and W.J. Murray (Eds), Eye-Witness, Adelaide 1966, pp. 6-7.

quality of an epic: the drama of an unexpected triumph by those weak in material resources but indomitable in spirit over heavy odds: what were the obstacles to economic progress which helped to make those odds so heavy?

One great obstacle was distance, the "tyranny of distance" as it has been evocatively called. One of the attractions of 'Botany' as a penal settlement was that to Englishmen it seemed as remote as the further side of the moon. This presented two advantages: the threat of being banished to this unimaginably distant spot would deter potential criminals, while the distance itself would render the return of transported criminals unlikely. It was not only that the prison would be difficult to escape from which made it attractive, but that it would be difficult to return from once the period of servitude was over. Englishmen were less interested in punishing criminals than in getting rid of them: their policy of exporting convicts to the American colonies had proved that. Transportation to New York or Pennsylvania had sometimes been a free trip to material prosperity for men, often a trip to security for women of marriageable age. This was of no interest to the Transport Board. What the convicts went to was not relevant. The important thing was that they remained there. New South Wales was much less satisfactory than America in an important respect: there would be expense to the taxpayer in establishing and maintaining the refuse heap. On the other hand, there was the advantage over America: it took six times as long to return, ships would be few and passages dear. These expectations were in part justified. James Underwood, an emancipist whose career is touched on from time to time in this work, attracted the attention of nineteenth century antiquarians and journalists

because he was supposed to be the only First Fleet convict to retire to England as a man of means - and this was more than half a century after his transportation. Up to 1820 about 10 per cent of the ex-convicts returned home and another 10 per cent successfully absconded.² However the latter figure would have included those convicts who disappeared into semi-permanent exile on the islands of Bass Strait, New Zealand and the Pacific, and the substantial number who escaped as illicit crewmen on American vessels. Others escaped to India and the East Indies. Only a modest proportion of the escapees would have returned to England.

As a scheme to rid Britain permanently of people who were considered undesirable Botany was reasonably successful. This success was not entirely due to distance, however. It was partly due to the fact that the new settlement was proving a land of opportunity for men whose only capital was ingenuity in making money, and who had the will to exploit that talent without scruple. As a result after a period of squalor and misery, with the threat of famine never far away and short and dismal commons the normal fare the settlement began to improve. Rumours of convicts risen to mysterious affluence filtered back to England to disconcert ministers who increasingly found the threat of transportation less dire than it was supposed to be. Time expired convicts who did succeed in making the long voyage home found their memories of Sydney more enticing than the realities of war-time London. The emergence of Botany as a land of opportunity in which an adroit man might find in commerce "a career open to talent"³ is

2. A.G.L. Shaw, Convicts and the Colonies, London 1966, pp. 141-142.

3. A phrase originally applied to Simeon Lord by C.M.H. Clark, A History of Australia, Melbourne 1962, p. 198.

of particular interest, for it demonstrated that the Sydney traders in alliance with London and East India merchants had succeeded in overcoming the obstacle of distance. Just how formidable was the problem of distance - of time as well as of space - in the age of sail will be discussed in Chapter Five. Suffice to say that during the first years of settlement few ships called at Sydney. The chief visitors were transports bringing hungry mouths and very inadequate provisions, East Indiamen bringing a cargo on contract for the Transport Board while on their long passage to Canton, odd sealing and whaling ships, and the occasional American vessel. The settlement was in this desperately isolated position when the officers seized the initiative and founded colonial commerce, a development described in the following chapter.

Commerce bred commerce, more vessels arrived as merchants in America, England and the Indies became aware that there was profit to be made in the pigmy settlement. The officers declined in importance as a group, and many individual officers left the colony, but by now commerce had passed to other hands. As the population slowly climbed the market increased and so did the volume of imports. Transports, store ships, East Indiamen, itinerant merchant-mariners, whalers, sealers, foreign prizes, Indian "country ships", Americans on a variety of voyages, all found some reason to anchor in what had been the world's emptiest as well as finest deep water harbour. By 1821 the isolation of Sydney had been broken down in a way which would have been thought incredible forty years earlier.⁴

4. For a fascinating discussion of the influence of distance on the course of Australian history, see Geoffrey Blainey, The Tyranny of Distance, Melbourne 1966, and for this period especially Chapter Three.

These developments would have caused less surprise if to the tyranny of distance there had not been added the tyranny of corporate privilege. The colony of New South Wales in its foundation and early development, above all in the problems it faced differed markedly from earlier British colonies. In the past there had been a predominance of private enterprise in the founding of colonies and most of the colonists had been voluntary exiles seeking greater opportunities in a new and therefore less crowded environment. The colony of New South Wales was a prison whose function was to receive felons not free settlers, and was established well inside the vast area of the globe dedicated to the East India Company monopoly.⁵ While the British government showed no hostility to the use of Sydney's primitive port facilities by foreign ships, the Company could be expected to assert its monopoly rights over British trade. The home government could not but support this, and the early New South Wales governors - especially King and Bligh - proved jealous watchdogs of the Company's rights. They would not have dared do less. The East India Company might be in decline by the close of the eighteenth century, its retention of power a factor of English politics rather than its own strength, but it still appeared a formidable potential enemy to any career naval officer or bureaucrat. Indeed the Company did not lose its Indian commercial monopoly until 1813, and not until 1833 did it lose its Chinese monopoly. The Company had viewed the founding of New South Wales with deep misgiving, and its hostility to the project had helped to delay the decision to choose Botany

5. Cf. John M. Ward, British Policy in the South Pacific, Sydney 1948,
C. Northcote Parkinson, Trade in the Eastern Seas 1793-1813, Cambridge 1937.

Bay from 1785 to August 1786.⁶ No argument that the colony would have no commercial importance in the eastern seas except perhaps as a market, and that the port would be a useful refreshing place for ships bound for China would make any impression at India House. The company did not own the ships, and would not benefit from cargoes carried to Sydney in them. The company was not interested in selling goods to ex-convicts: its sole commercial interest was tea. As for the colony's limited commercial role, the Directors took a different view of probable colonial developments: "... a Population of European descent reared in a climate suited to maintain the Energies of the European ... when it becomes numerous, active & opulent, may be expected to acquire the ascendancy in the Indian Seas."⁷

The East India Company's fears were not sufficient to halt the Botany project but they were not ignored. The Company had exclusive British rights of trade and navigation to countries lying between the Cape of Good Hope and Cape Horn. Phillip and all subsequent governors in our period were forbidden to allow colonial vessels to be built which could navigate to the Asian mainland or any of the European colonial settlements of the East Indies⁸ and trading by colonists with these areas was thereby rendered very difficult. Whalers and sealers from London which visited the colony

6. N.B. Nairn, "The Selection of Botany Bay", Abbott and Nairn (Growth), p.54.

7. Rough notes taken by Sir Joseph Banks, c1806 of a letter from the Court of Directors to Lord Camden, Banks Papers, Brabourne Collection, Vol. 4, 268-270, Mitchell Library MSS A78-3; see also transcript in Hainsworth (Builders), p. 77, and Chapter Seven below.

8. Not just the East India Company's settlements, as stated by Nairn in Abbott and Nairn (Growth) p. 62, but the settlements of all European countries (e.g. the Dutch and the Portugese), cf. Phillip's Instructions Historical Records of New South Wales (hereafter H.R.N.S.W.) I (Part 2), 91. See also Chapter Seven below.

in the first decade or two of settlement had to be licensed by the Company. Some of the convict transports were ships taken up by the Company to bring back tea from China. Thus all vessels visiting Sydney were either licensed to navigate to pass the Cape of Good Hope by the Company or were foreign bottoms, usually American but occasionally Dutch or Spanish prizes sent in for auctions by British privateers. There were loopholes, small but useful. There were British merchant-ship owners in Calcutta and Madras who were allowed to operate vessels - known as "country ships" - in the eastern seas. They could navigate at will in the monopoly area but could not pass beyond it. Let a master mariner with a country ship licence ally himself with a Sydney trader and that trader could have access to Calcutta or even Canton. He would not, however, have access to London. For that he must ally himself with a London firm owing, at least nominally, a ship licensed to navigate to Sydney and back. The third possibility was an alliance with an alien firm - a solution which the governors found peculiarly infuriating.⁹ Nevertheless, no matter how ingenious some of the Sydney traders were at exploiting such loopholes, the monopoly remained as a heavy brake on the development of the infant colony's commerce, as will be frequently demonstrated in the following chapters.

The readiness of the ministers to placate the East India Company by issuing instructions designed to safeguard its monopoly, suggests that the Home government was little interested in seeing commerce develop in the colony - was perhaps even hostile to such a development. Certainly historians have tended to suggest that this was so. Recently, however,

9. For a detailed examination of these problems and solutions see Chapters Four and Seven below.

this view has been questioned. Dr Roger Joyce has suggested that enterprises that might "lead to the colony's becoming self-sufficient, and thus a cheaper receptacle for felons, were always encouraged".¹⁰ Dr Joyce admits, however, that the advice given by English ministers was often inappropriate and accounts for this by the delays due to distance, the pressures of British vested interests, and likely conflicts between government departments responsible for different aspects of the colony's administration. My own reading of the dispatches suggests that while a minister's ear could be caught by the magic word 'economy', the ministers of the crown responsible for New South Wales at least between 1788 and 1815, thought about the colony very seldom and very briefly. Their minds were pre-occupied by political battles at home and military campaigns abroad. New South Wales was a factor of no significance to either. Moreover any boon granted to New South Wales was conditional - it must not adversely affect the interests of British citizens, especially if they were voters, stockholders in the Company, or men with a strong lobby influence in the House of Commons. It is true that in 1806 a bill was drafted which would have regularised and greatly encouraged the colony's commerce. It covered the form of licence to be granted to colonial vessels, the size of vessels to be built in the colony, and the seas to be opened to them. The bill was approved by the East India Company on condition that Indian residents and

10. "By 1821 New South Wales had a diversified economy and contrary to some interpretations this development had been encouraged by the government." R.B. Joyce, "Government Policy", Abbott and Nairn (Growth), p. 59. One could cite Camden's patronage of Macarthur's scheme of developing fine wool as a major export staple, Clark, op. cit., pp. 200-201. However such a trade would have aroused little if any opposition in England and certainly represented no threat to major British commercial interests.

the Company's servants were excluded from its benefits, that colonial vessels unloaded at the East India dock, and that the act in no way reduced the original rights of the Company. By this bill Prime Minister Grenville certainly demonstrated his belief that British interests should not be regarded as a sufficient excuse for preventing the development of New South Wales commerce. However, surely the most significant thing about the bill is that it was never enacted! The Grenville ministry fell in March 1807 and the whole matter was once more shelved until 1812.¹¹

In that year the government once more re-opened negotiations with the Board of Trade and the East India Company. The negotiations were made possible partly by the diminished political weight of the Company, and arose partly from the desire of the British whaling interests to ship goods to Sydney on a larger scale than they had done in the past. As a result by an act which came into force after April 1814 the exclusive trading privileges of the Company from the Cape east to Cape Horn were ended, save for the China tea trade. The act also eased the restrictions on colonial shipping in the old monopoly area, but kept the London-Sydney trade confined to ships of more than 350 tons. Dr Joyce's statement that this proviso confined the London-Sydney trade to British traders is not quite correct.¹² There was after all nothing to prevent Sydney traders from forming alliances with London shipowners as they had done in the past. There would indeed be more opportunities to do this because there would be no licence to be obtained from the Company for the voyage of a ship jointly owned in this way.

11. See M.J.E. Steven, Merchant Campbell, Melbourne 1965 [hereafter Steven (Campbell)], pp. 119-136.

12. Abbott and Nairn, (Growth) p. 64.

However, the proviso did seriously hamper colonial commerce simply because since colonial exports were small and spasmodic vessels of more than 350 tons were uneconomic.

In 1819 Lord Bathurst was able to report to Governor Macquarie that a new act had been passed freeing the London-Sydney trade to all ships without reference to tonnage.¹³ Against these belated and painfully slow liberating measures we must weigh the tariff barriers which were erected against colonial whale and seal oil during the Macquarie period and which were not removed until after the Bigge report had exposed their injustice.¹⁴ In brief, although it is certainly true that the British government did not display a consistent hostility to the development of colonial commerce, it is also true that colonial commerce was a tenacious plant which grew in a largely hostile environment and despite official policies rather than because of them.

The policies of the local governors are considered in some detail in later chapters. There are some general influences from Government House which need to be explained, however, if the developments described in the two following chapters are to be fully understood. The colony had no Treasury and no locally issued money, minted or printed. The long years during which this situation rendered the development of commerce difficult and its practice hazardous demonstrate how slight was the home government's active interest in commercial development. Meanwhile the currency situation

13. Historical Records of Australia Series I (hereafter H.R.A. I), x, 196 and Note 7.

14. See Chapter Eight below, and Steven in Abbott and Nairn (Growth), pp.299ff

together with the difficulty of finding staples to export or accessible markets in which to sell staples, combined to make the prison half of the colony of enormous importance to the traders, and indeed to all settlers of whatever origin. Of all the prison's institutions the Commissariat Store was the most important and influential. It had to feed and clothe not only the convicts but also had to feed, at least for a time, many time-expired or emancipated convicts and their families, and a number of free settlers, together with the members of the civil and military establishment from the governor to the lowliest petty constable. Naturally in fulfilling this function the Store had to make purchases both local and overseas. The bills on the British Treasury which the Commissariat Officer issued in payment were as acceptable as gold to the recipients, whether local traders, sea captains or overseas merchants, for they were redeemable by the British Government. They had enormous significance in the commercial life of Sydney for the Store was the biggest source of sterling in the colony.¹⁵ Next biggest source was the Paymaster of the New South Wales Corps who could draw bills on the regiment's London banker-agents so far as its funds or credit would stretch. For the rest there was only such gold or silver as came into the colony in the pockets of convicts, officials or settlers, or was spent on provisions or other services by visiting ships' captains.

In default of suitable staples, therefore, the chief export of the colony for many years was money, chiefly in the form of bills on the Treasury signed by the governor. Since the flow and availability of money

15. The influence of government spending on the Sydney market is considered at length in Chapter Six below.

dominates the economic life of any society, in Sydney prosperity or depression, inflation or deflation, were naturally governed by the quantity of bills the governor signed. This in turn was decided by the amount of purchasing carried on by the Store. Government bills to locals were chiefly issued in payment for grain and meat (normally pork). The fact that Governors Hunter, King and Macquarie pursued different policies toward the purchasing of grain, public farming with convict labour, and the issuing of bills all tended to affect the price at which goods sold, and the hazards or profits of the Sydney trader. These influences are discussed in detail in Chapter Five. For the present it is only necessary to note that any who achieved a monopoly of sterling would also have a monopoly of wholesale imports before turning to the activities of those Sydney traders on whom the epithet 'monopolists' has been most commonly bestowed.

PART ONE THE FOUNDERS.

Chapter One: The Officers' Initiative.

... a conspiracy of the richer sort, who on a pretense of managing the public do only pursue their private ends.

Sir Thomas More on Society.

Governor Hunter does not blame individuals for making fortunes, where the means is compatible with their situation, and ... is done in an honest, honourable way; it is a natural desire to make provision for a family; ... but this rage for traffic has been particularly injurious to the husbandman.

Ex-Governor Hunter, 1802.¹

The spur to the initiative of the Sydney entrepreneurs throughout the first generation of settlement was the ambition to acquire wealth through the profits of commerce. Importing, exporting, manufacturing, shipbuilding, public contracting, maritime adventuring, all were designed, directly or indirectly to satisfy this ambition.² Why was there this passion for commerce in the infant colony? Of course traders must have merchandise in order to function but why did so many see in trade a road to affluence? The thirst for consumer goods went beyond a reasonable expectation of gain, ruining some, temporarily embarrassing many, at times disappointing all who indulged it. This single-minded search for consumer goods for the limited market of Port Jackson was so compelling that it infected merchants as distant as London or Calcutta, persuading

-
1. John Hunter, Remarks on the Causes of the Colonial Expense, London 1802, p. 24. For a lengthier quotation see Hainsworth (Builders), pp. 7-8.
 2. These activities are all discussed at length in the following chapters. In all of them, even public works by private contractors, the urge to acquire goods for sale - especially spirits - can be detected. See especially the Sydney Hospital contract in Chapter Twelve.

them to advance reckless credit or to dispatch recklessly large cargoes with equal defiance of the laws of supply and demand. This inflated expectation probably derived from the exploits of the colony's first traders, the officers of the New South Wales Corps, around which grew up a remarkable body of legend. The word legend seems appropriate because it is difficult to disentangle the truth from the contemporary melange of ill-founded opinion, polemical diatribe and interested allegations. The tendency of some historians to judge these late eighteenth century figures by twentieth century standards and values has not helped them to pick their way through this tangled underbrush. To deal fairly with the founders, therefore, we must first examine the role of the trading officers of the New South Wales Corps for whatever their shortcomings as officers or gentlemen, they were the first founders of Australian commerce.³

The beginning of the officers' trading was probably in April 1792 when Captain Manning of the Pitt received Paymaster's bills for £1,440 prior to his departure for Bengal and the following officers at least were involved (in amounts shown to the nearest pound): Captain Nepean (£337), Captain Hill (£308), Adjutant Rowley (£295), Lieutenant Beckwith (£66), Lieutenant Laycock (£60), Lieutenant Laing (£30), Ensign McKellar (£22), Ensign Piper (£20).⁴ In October that year the Royal Admiral arrived with a cargo. Shops were opened in Sydney and Parramatta to retail her cargo

3. The surviving records of the Corp's financial transactions are confused and fragmentary and are all contained in several volumes of the Macarthur Papers. They comprise: (1) a list of Paymaster's bills and their recipients 1791-1798 (upon which is based the table at Appendix A), Mitchell MSS A2903 item 1; (2) rough accounts of individual transactions together with rough copies of Paymaster's correspondence, from about 1789-1795, and (3) Corps pay records 1798-1799, both A2998; (4) a series of accounts of individual officers kept first by Foveaux, then by Macarthur, 1789-1794, A2999.

4. Macarthur Papers, A2999, pp. 6-18.

and when licences were issued for the sale of her porter the licencees (whose identity has not survived) took the opportunity to sell spirits as well. The aftermath hardly gave Governor Phillip, who was about to sail for home, a happy last impression of his embryo colony:

Several of the settlers ... conducted themselves with the greatest impropriety, beating their wives, destroying their crops in the grounds and destroying each others property.... The indulgence which ... the Governor intended for their benefit was most shamefully abused, and what he suffered them to purchase with a view to their future comfort, was retailed among themselves at a scandalous profit.⁵

Those who tend to see the settlers (by whom Collins presumably means the small farmers) as innocent victims of officer greed, may reflect upon this episode which occurred before Phillip left the colony. The officers bought heavily from the Royal Admiral's cargo. Her master, Captain Bond, is said to have sold £3,600 worth of goods and left a further £750 worth to be sold on commission. He received Paymaster's bills for £1,100 on 7 November and further payments totalling £653 were made to Bond's executors in February, May and October 1793 and August 1794 probably on account of the residue of the cargo.⁶ It may be that Bond had to leave goods unsold because the officers were overstretched financially, for while they were dealing with Bond they had embarked on a more ambitious undertaking - the first of their trading ventures which the Governor considered worthy of mention in his dispatches.⁷ In October 1793 Phillip reported that Major

-
5. David Collins, An Account of the English Colony of New South Wales, (First Ed.), London 1798 (hereafter Collins (1798)), p. 358.
 6. David Collins, An Account of the English Colony in New South Wales, (Second Ed.), London 1804 (hereafter Collins (1804)), p. 187.
For Paymaster's bills see Appendix A.
 7. A later governor identified this venture as their first but the bills to Captains Manning and Bond strongly suggest he was mistaken, cf. John Hunter, Remarks on the Causes of the Colonial Expense, London 1802, pp.18-19.

Grose and his officers had formed a syndicate to charter the Britannia, Captain Raven, for a voyage to the Cape of Good Hope for a cargo ostensibly designed to supplement "the reduced and unwholesome rations served out of the Stores" to themselves and their soldiers. (The Britannia, which came to Sydney as a transport, had been licensed to go sealing by the East India Company.) When Grose informed Phillip of this scheme he did not expect the Governor to forbid it. Rather he sought Phillip's official approval so that the Britannia would be safe from "interruption", as he put it, by the East India Company. Phillip was on the point of leaving for England and no doubt felt that it was up to Grose to make his own peace with the East India Company after taking over the governorship. Certainly he showed no sympathy for the officers' scheme. Supplies were on the way and would arrive before the Britannia could return. Anything wanted from the Cape could be ordered by the master of a homeward-bound ship, and brought out on an outward bound transport. When the Atlantic sailed for Calcutta some months earlier every officer had had the opportunity to order goods by her. As for the rations, he clearly felt the officers should be prepared to put up with them since they were the same as were served at his own table. (This was an argument unlikely to impress a military officer accustomed to the comforts of the Mess - the rigours of naval diet were notorious.) Phillip, however, declined to interfere and Captain Raven must take his chances with the agents of the East India Company.

Nevertheless if Phillip did nothing to favour the scheme he also did nothing to stop it, reporting to Dundas that:

I wished to prevent what may be supposed to affect the East India Company by opening a door to contraband trade, at the same time as I could not prevent it, and do not believe the Britannia goes to the Cape with any such view ... I do not think His Majesty's service will suffer ... and the voyage may prevent much discontent.⁸

Whether Phillip was correct in supposing the officers' charter did not represent a contraband trade is doubtful, but he was certainly incorrect in supposing the provisions she would return with would not be needed.

The Britannia found the colony under threat of starvation in June 1793, with Grose on the point of ordering a further cut in the ration on the ground that only ten weeks supply still remained in the Store. Early in August a transport brought a further 144 convict mouths but few supplies.⁹ In this regard at least the officers' initiative had more than justified itself. It is also interesting that Phillip seemed more concerned about the East India Company than about the possibility that the officers intended to import for profitable sale rather than for their own consumption. It may be argued that Grose had given no indication of such a purpose, but it was reasonable to suspect it for as we have seen and as Phillip must certainly have known, the officers were already trading.

The officers had agreed, according to Collins, to pay Raven £2,600 for the charter of the Britannia and had put up £2,200 in eleven shares of £200 each to purchase the cargo she was to bring.¹⁰ In November 1792 the officers had sufficient funds left to invest £500 in Paymaster's bills in a

8. Grose to Phillip, Phillip to Grose, Phillip to Dundas, all 4 October 1792, H.R.A. I, i, 380-381.

9. Collins (1804), pp. 214-215.

10. Collins (1804), p. 181.

cargo brought by the American ship Philadelphia which included rum, gin, wine and tobacco (most of the cargo being bought by the Commissariat). Of all these transactions we only learn from Phillip's dispatches of the Britannia contract. This was, however, a significant one in that it demonstrates the officers were not content to simply make casual purchases from chance callers for re-sale at highly inflated prices. They were now fully fledged importers ordering specific merchandise.

Captain Raven sailed to the Cape via New Zealand and South America and returned across the Indian ocean in June 1793. Before he left Sydney in 1792 he received £1,922 in Paymaster's bills and he received a further £1,955 in three Paymaster's bills in September 1793.¹¹ In October 1793 he sailed for Calcutta on contract to government but a narrow escape from pirates in the Malacca Straits deterred him from going further than Batavia. Although the officers do not appear to have had any collective arrangement with Raven on this voyage individual officers could make their own arrangements. For example, Lieutenant McKellar ordered £40 worth of Bengal goods for himself and John Piper.¹² Once back in Sydney Raven lost no time in signing another contract with the officers. In August 1794 the Paymaster gave him bills for £3,263 and in March 1795 he brought livestock, spirits, wine and provisions. Raven made one more voyage. He sailed for India in June 1795 and returned in May 1796 with provisions, a horse and some cattle. This was probably purely a government contract. Certainly he received no Paymaster's bills during 1795 and 1796. The Britannia returned to England

11. See below Appendix A.

12. The latter was on Norfolk Island. Piper Papers, Vol. 3, pp. 495-496, Mitchell MSS A256.

in the latter year after what the East India Company might have regarded as a very peculiar three year sealing expedition.¹³

The chartering of the Britannia in 1792 and 1794 and of the Thynne in 1799 appear to have been the only instances of ships chartered by officers to procure cargoes. Otherwise they seem to have purchased cargoes brought speculatively, persuaded captains to return with specified merchandise, or perhaps to have ordered through their Calcutta agent, Augustus Beyer. Beyer first came to Sydney in 1793 as surgeon on a transport, and was shortly after paid £200 by the Paymaster, probably for a small private investment. Later he took up residence at Calcutta and in September 1798 he was sent bills for £4,550. In 1799 he sent the ship Thynne to Sydney for the officers loaded with 9,106 gallons of rum, with sugar, tea, coffee, pepper, textiles, etc.¹⁴ From the lists of bills issued to visiting captains, however, it would appear that most of the officers' transactions must have been with captains who came on speculation and found the officers the only colonists with access to large amounts of sterling.

The problem of sterling which is considered in more detail in Chapter Three below, was probably the cause of the officers getting an early

13. For Britannia's movements, J.S. Cumpston, Shipping Arrivals and Departures, Sydney, 1788-1825, Canberra, 1964 (hereafter Cumpston (Shipping)). Dr Steven's comment that the officers' trading was "rudimentary and unenterprising and mainly based on the demand for spirits" seems unfair, Abbott and Nairn (Growth) p. 122. They tried to import cattle, horses and goats on the Britannia's first voyage - though most died - and on the second Raven brought them 33 horses and 12 sheep. George Barrington, The History of New South Wales, London 1802, p. 161. The pens on the Britannia were built by the Corps artificers, and the vessel carried feed to the Cape for the return journey, Collins (1798), p. 236.

14. H.R.A. I, ii, 571 and H.R.N.S.W. iv, 19.

monopoly of the import trade. There were two chief sources of sterling in the colony: Paymaster's bills drawn on the Corp's banker-agents in London, and secondly, and by far the larger, Treasury bills drawn by the Governor to pay for goods and services, and particularly grain and meat supplied to the Commissariat Store. The Paymaster's bills were entirely under the control of the senior officers of the Corps, and this source of readily acceptable sterling bills gave the group its commercial start. Once they had begun to trade, however, the first source of sterling gave them the opportunity of exploiting the second. The goods bought with Paymaster's bills could be sold to the settlers, or dealers of various kinds, for grain. The grain could be placed in the Store in exchange for Store Receipts which the Governor would later consolidate into Treasury bills with which further goods could be bought. The question of whether the officers - who were also cultivators - "monopolised" the Commissariat Store by preventing the small farmers from putting in their grain, so that they could keep all bills in their own hands, is considered below. Suffice to say in the 1790s the officers tended to be a funnel through which imported goods flowed out to the settler and through which in return grain and meat flowed back from the settler to the Commissariat. Of the officers' dealings with Treasury bills no trace has been discovered, and the detailed Commissariat records of the period 1792-1800 have not survived. It is therefore impossible to say what proportion of Treasury bills came into the hands of the officers nor what proportion of their payments for imported merchandise was in Treasury bills. However, the Paymaster's record of bills has survived for the period to January 1800 in one form or another, and this shows

that the number of Paymaster's bills drawn in any one year varied widely, from as low as £130 to as high as £15,621. Between 1792 and 1798 the Paymaster drew bills on London to a total of £36,844 made up thus:

1792	£4,962	1793	£2,715	1794	£5,592	1795	£130	1796	£7,574
1797	£250	1798	£15,621.						

Thus the officers invested more than £36,000 worth of sterling in only seven years. Operations in 1799, though not as high as 1798, must have amounted to at least £7,000, while a further £2,161 was paid to Captain Salkeld of the ship Minerva in January 1800.¹⁵ The Paymaster drew bills on the Corp's London agents for more than £46,000, investing it in imported goods, between 1792 and 1800. If the Corp's mercantile transactions extended beyond that date, the records of the Paymaster do not due to John Macarthur's surrender of the position.

The scale of the officers' operations in the 1790s prompts the question where did their capital come from? Holders of the King's commission in the 1790s were not munificently rewarded. A major received £257 0s 7½d a year, a captain £171 7s 1d, a lieutenant £79 14s 4d and an ensign £62 16s 7¼d. Sergeants received £18 5s and privates only £4 2s 6d.¹⁶ The apparent slenderness of these resources is deceptive, for through the Paymaster the Corps officers, especially those commanding companies, had access to very substantial sterling resources: the monthly pay credit for the officers and men in London and other substantial regimental funds. During the

15. Calculated from the table at Appendix A. The list of bills drawn only goes to 1798 but set against the pay records for the Corps in 1799 are bills drawn in that year and in January 1800.

16. War Office Records 4/825 New South Wales Corps 1789-1810, Mitchell M/film 412.

eighteen months June 1798 to December 1799 the Corps pay averaged £966 per month, while the total for eighteen months was £17,392.¹⁷ (This was a running account which must have commenced about nine months earlier. Records for the nine months have not survived, but £8,328 was "brought forward" at the beginning of June 1798 which added to the eighteen month total makes a total credit of £25,844 for a period of approximately twenty seven months.) A substantial portion of this could be devoted to commerce, and opposite the pay balances we find such items as six drafts to Robert Campbell totalling £7,050, three for £1,456 to Messrs Beyers and Turnbull, four to August Beyer for £4,550 and so on. It may be asked what of the soldiers? If their massed pay sustained these large designs, how were they paid? It would appear that apart from a dribble of copper coin pay was not sent to Sydney, and that the soldiers were chiefly paid through a "company store" system by which they could obtain liquor, tobacco, etc, obtained for them and indeed owned by their superior officers. In 1804 Lieutenant Tuckey R.N. observed that "the soldiers still receive their pay from their officers in goods, or in the language of the colony, in property". King's Orderly Sergeant, Richardson, testified in 1812 that soldiers were not paid in Paymaster's notes until Governor Bligh's time. When paid in copper coin soldiers could not use this to buy direct from ships because it was over-valued to keep it in the country.¹⁸

The pay chest itself was not the only sterling resource available to the officers. Those who commanded companies controlled substantial funds

17. N.S.W. Corps Pay Records 1798-1799, Macarthur Papers, Mitchell MSS A2998.

18. For Tuckey his MSS "The Present State of New South Wales, 1804", Mitchell MSS A2001; Joseph Holt, Memoirs, Vol. II, p. 295; evidence of William Richardson, Enquiry into Transportation, London 1812.

in "non effective money", "poundage" and "subsistence allowances", technical terms referring to funds for allowances and sundry administrative purposes. In 1793 "subsistence allowances" for a company amounted to £2 14s per day. (This was made up of: one captain 7s 6d per day, one lieutenant 3s 6d, one ensign 3s, three sergeants at 1s - 3s, three corporals at 8d - 2s, two drummers at 8d, 1s 4d, 67 privates at 6d - £1 13s 6d, allowances to the commander 6d, and agent 6d, total £2 14s 10d.)¹⁹ Captain Nepean's running account with the Paymaster for items other than pay from about October 1789 to about September 1793 shows a total credit of £3,204, including subsistence allowance for himself and his men amounting to £2,672.²⁰ Set against this credit are various payments to ships' captains including £175 to Bond of the Royal Admiral, perhaps part of the £1,100 paid him in November 1792. On the other hand a junior officer like McKellar only contributed £6 12s 7d to the same purchase which was debited against his small personal subsistence allowance, the only non-salary funds available to him.²¹

In short although the officers no doubt used Treasury bills obtained by the sale of grain and meat to government, the large number of Paymaster's bills given to merchants or ships' captains, and the very substantial sterling resources available to the Paymaster, all suggest that Paymaster's bills were a major source of foreign exchange for the officers. Since none

19. War Office Records 4/825, N.S.W. Corps 1789-1810, Mitchell M/film 412.

20. Macarthur Papers Mitchell MSS A2999. There was also "poundage", 24 June 1792 - 24 June 1793, £147 3s 10d; and "non effective money" from 25 October 1789 - 24 August 1793, £76 13s 4d.

21. His ^{account} ~~own~~ shows a credit of £123 personal subsistence allowance accumulated between 25 March 1792 and 24 June 1794.

of this was available to the civilian officials or settlers, and since the possession of this kind of sterling automatically led to a lion's share of the other, Treasury bills, the officers virtual monopoly of the early import trade was the fruit of circumstance rather than contrived. There is some evidence that the military officers had allies among the civilian officials, but no evidence to show the degree of the latter's participation in general or in particular ventures. It is probable that the first Britannia Cape voyage was a purely military speculation, for it was proposed at a meeting of the company commanders, but for her second Cape voyage she was "engaged by the civil and military officers for the purpose of purchasing a variety of stores ... but with the particular view of fetching cattle."²² The Halcyon's spirits were sold to "the officers of the settlement and of the garrison" by which was presumably meant "civil and military".²³ However, the officers' control of Paymaster's bills would give them an early advantage, and there can be little doubt that the civilian officials who participated did not do so as equals. What is quite clear is that if a handful of officers grew affluent through monopolistic practices it was not without a substantial sterling investment.

Which officers took part in the trade? Paymaster Macarthur must have had a very profitable share, but the senior officers would not permit him to monopolise the advantage. The lion's share must have gone to the company commanders. Paterson, Johnston, Foveaux, Hill, Rowley, and to a lesser degree Nepean. The junior officers, Beckwith, Clephan, Prentice,

22. Paterson to Dundas, 21 March 1795, H.R.A. I, i, 490.

23. Collins (1798), p. 375.

Piper, McKellar, Laing, Surgeon Harris and Chaplain Bain, with no company funds to speculate with had to satisfy themselves with a more modest share. The persons involved and their degree of involvement varied from venture to venture. Paterson had at least £500 invested in Raven's second Cape voyage - nearly twice his annual salary. With some invoices the officers took shares of equal amounts with a wealthy - i.e. a senior - officer sometimes taking up more than one share. The records in the Macarthur Papers are fragmentary and confusing and probably represent random calculations and odd aides-memoires rather than formal bookkeeping.²⁴ However, we can observe that when Raven received three bills totalling £1,955 in September 1793 one of them was for £320. This £320 was made up of contributions from Johnston (£65), Foveaux, Paterson and Harris (£60), Macarthur (£35) and McKellar and Piper (£20). In March 1794 the ship William arrived from England via Rio with beef, pork and tea. Her captain, Folger, was paid £709 on 30 April. In March 1794 also arrived the Arthur, Captain Barber, from Bengal with beef, pork and calico. On 26 March Barber received bills for £840. It would be easier to describe how the officers combined to purchase these cargoes if Macarthur had kept quite separate accounts for the two speculations. In fact he jumbled them together and several sets of figures have to be interpreted before the confusion is resolved. Several officers took shares of £43 6s 1d, of which sum £40 0s 6d was for a share in Barber's cargo and the remaining £3 5s 7d was for a share in the tea which Folger had brought. Ten officers each took up one of these £43 6s 1d shares and Paterson took two. In addition Macarthur

24. Macarthur Papers Mitchell MSS A2998. The officers listed are those prominent in the early 1790s, but others joined later, e.g. Captain Anthony Fenn Kemp, Surgeon William Balmain, Assistant Surgeon Darcy Wentworth.

contributed £51 1s 2d and Commissary John Palmer paid £319 14s 10½d from funds which he held for the officers for reasons unexplained. Apart from the tea which as we have seen was lumped with Barber's cargo for accounting purposes, the remainder of Folger's cargo seems to have been distributed unevenly: Foveaux £243 1s 11½d, Laycock £111 9s, Paterson £111 4s 1d, Rowley £107, Johnston £72 1s 7d, Laing £13 4s 4d. We have seen that in August 1794 Captain Raven received bills totalling £3,263 prior to departing for the Cape on the officers behalf. Most of this sum was made up as follows:

Capt. Paterson sent to the Cape	£250. 0. 0
Note	45. 9. 7
Capt. Foveaux sent to the Cape	250. 0. 0
By Bill	29.18. 0
Capt. Johnston sent to the Cape	250. 0. 0
By Bill	29.18. 0
Lt. Rowley sent to the Cape	250. 0. 0
By Bill	87. 0. 0
Note to Mr Laing	40. 0. 0
Mr Harris sent to the Cape	100. 0. 0
By Bill	28. 0. 0
Mr Palmer's Account	1,028. 6. 6½
Lt. Macarthur	756. 4. 0½
Mr Piper	4. 0. 0
Mr Laycock's order Lowe	64. 0. 0
making £3,212.16. 2 in all.	25

25. The £1028 6s 6½d from Deputy Assistant Commissary John Palmer is odd. In Macarthur's accounts is set out a column of figures headed "An Account of Money Paid to Mr Palmer for the Officers of the New South Wales Corps". This totals £1,348 1s 5d of which £319 14s 10½d was paid to Captain Barber as we have seen. The officers involved were Paterson, Johnston, Foveaux, Rowley, Bain, Lucas, Laycock and Harris. Paterson's proportion is set out thus:

Capt. Paterson	£101. 5. 0
Ditto by bill	110. 0. 0
Ditto by share of <u>Britannia's</u> cargo	38. 8. 10.

The other seven officers were due sums of varying amounts but all had a £38 8s 10d share in the Britannia's cargo except Foveaux who had two. Nowhere do the accounts explain why Palmer should be paid funds to hold until they were needed to pay Capt. Raven, but the transaction suggests he was intimately involved in the officers' financial concerns, cf. Macarthur Papers Mitchell MSS A2998. In Rowley's account with the Paymaster for funds other than pay we find him debited in April 1794 for £38 8s 10d "paid Mr Palmer", Macarthur Papers Mitchell MSS A2999.

Confused though the surviving records are, the broad picture is clear enough. The principal traders were Paterson, Johnston, Foveaux, Rowley, Macarthur, and to a lesser degree Harris. Apart from Harris, who was a surgeon, all these men had company funds passing through their hands. Another substantial investor was Laycock who had risen from the ranks to Quarter Master, a position which has been notorious for providing the unscrupulous with a means to affluence even in modern times. The junior officers, if restricted in scope, were not left out and the system by which a portion of a cargo - perhaps a consignment of tobacco or wine - would be split up into small equal shares was probably devised in their interest. Thus in June 1794 Magee, supercargo of the Halcyon sold some goods including spirits. The spirits were divided up among the five companies, four taking 100 gallons at £30 and the other taking 200 gallons at £60. The rest of the goods were divided up into equal shares of £45 10s 4d of which Foveaux had two and Paterson, Grose, Johnston, Rowley, Laycock, Prentice, Beckwith, McKellar, Harris, Bain and Laing took one each. Even absence at Norfolk Island did not exclude a junior officer from some benefits of the trade, for he could form an alliance with a brother officer at headquarters. In December 1793 Neil McKellar sent John Piper fifty pounds of sugar and wrote to report he could not get Piper's current account, because Macarthur was up at Parramatta, but believed him to be "in credit".²⁶ An important element in the officers' dealings was their London agent, Messrs Cox & Greenwood.

26. Piper Papers, Vol. III, pp. 495-496, Mitchell MSS A256.

This firm not only honoured bills drawn by the Paymaster but also insured the Britannia from the Cape to Sydney in 1793 and 1794, the premiums being born by the participating officers.²⁷

The details of the officers' importing activities do not seem to have much concerned the pioneer historians.²⁸ The supposed consequences of their self-interested initiative has attracted a great deal of attention, however. The officers have been accused of "engrossing", i.e. monopolising, cargoes.²⁹ As we have seen this was a natural development from their access to Paymaster's bills which in turn led to a large share of the Treasury bills issued by the Governor. Since none of the officers were wealthy they naturally often combined their resources. It is probably true that they operated as a close ring in which competition for goods from visiting ships was not permitted, but this did not necessarily originate in a desire to fleece both their sources - by forcing purchase prices down - and their customers - by forcing selling prices up. Visiting ships' captains, finding that the thirst for consumer goods in the growing settlement kept prices high, tended to ask high prices themselves and this "kept up the extravagant normal value which everything bore in the colony".³⁰

-
27. For example they were informed that Capt. Hill was going home but his account must be debited his share of the insurance, and if the vessel were lost it must receive credit for his share of the underwriters' payment, cf. N.S.W. Corps Correspondence p. 1 ff, Macarthur Papers, Mitchell MSS A2998, Item 2.
28. Even Macarthur's biographer made no attempt to describe his protagonist's pioneer speculations, cf. M.H. Ellis, John Macarthur (Sydney 1955), Chapter V passim.
29. "Was down at Sydney. Almost every good article was monopolised by the officers for profit in a most scandalous manner." Diary of Richard Atkins, Mitchell M/film (entry for Jan. 1795).
30. Collins (1798) p. 334.

If this caused the ring to form there can be little doubt that the ring set out to protect itself rather than the colony and shameless advantage was taken of that potent thirst - especially the thirst for rum. However, the profiteering, as we shall see in the following chapter, was not confined to the officers and they may not even have been the biggest participants in it. Unquestionably by their initiative the officers launched Australian commerce, and if they had not done so there might very well have been little wholesale importing, indeed little commerce above the level of the crudest barter, for some years. Significantly this monopoly of wholesale trade lasted only as long as there were no other colonists with access to substantial sterling resources in cash or credit.

The officers have also been accused of using this monopoly of purchase to enrich themselves at the expense of the farmer-settlers not only by excessive profiteering but also by monopolising the Commissariat Store by excluding the small men's grain and putting in their own. While the officers through an alliance with John Palmer and his successor Williamson may well have done this, it must be remembered that they had to do something with the grain and meat their customers had paid them for merchandise sold - whether the customers were dealers standing as middlemen between the officers and the colonists or the settlers themselves. If they had not been able to convert it into sterling by selling it to Government they would not have been able to trade at all.

Moreover there is evidence that the Government sometimes found it difficult to persuade farmers to sell their grain to the Store. Either they were lured away by higher prices in the open market which the Governor

refused to match, or they were seduced by the profits to be made from illegally distilling it. So many settlers refused ten shillings a bushel for grain in 1794 that the Governor retaliated by taking the culprits "off the Store".³¹ Fitzpatrick is one of the historians who accuses the officers of monopolising the Store's purchases of grain. However, he forgets that he has quoted Grose as reporting that he was buying maize from the settlers in order to refute Grose's earlier claim that only the officers were useful farmers! He also admits that Grose paid £8,070 to local farmers for grain and meat in 1794.³²

Hunter certainly complained bitterly of profiteering but the complaint was applied generally to all dealers in the community not just officers, and some of the details of the complaints appear wildly exaggerated. It is hard to take seriously statements that mark-ups of 1,000 per cent were common for example. If the officers had realised 1,000 per cent on only five per cent of their outlay in Paymaster's bills alone, this would have represented a return of more than £200,000 on just that small portion!

31. I.e. they would no longer receive a ration issue, Collins (1798), p. 358.

32. Brian Fitzpatrick, British Imperialism and Australia 1783-1833 (London 1939), p. 96 ff. For a clear account along similarly traditional lines, C.J. King, "The First Fifty Years of Agriculture in New South Wales", Agricultural Economics, 1948-9, p. 433 ff. Marsden, hostile to the officers, admitted that if Grose had not encouraged their agricultural initiative the colony would have starved, C.M.H. Clark, A History of Australia, Vol. I (Melbourne 1962), p. 141. The origin of the officers' flocks and herds was certainly the animals distributed to the settlers by Phillip which they subsequently bought with rum, but if they had not bought them the settlers would have heedlessly destroyed them, according to Collins (1804) p. 193.

Where was such a sum to be found in a miserable prison settlement in only eight years trading - and that sum only a fraction of the total return? Hunter's chief complaint against dealers and officers alike was that they sold such large quantities of spirits and he observed: "It is the only article I find fault with".³³ Writing to Under-Secretary King in 1798 he observed King would be told that a fortune of £8,000 or more had been made in five years and added rather oddly "How is it possible? Those who are acquainted with the traffic ... will best be able to inform you for really I cannot."³⁴ If the Governor could not explain it it must have been very mysterious indeed - or untrue. Hunter was probably referring King to David Collins and John Palmer who were returning to England. If Collins could explain how such "fortunes" might be made he left little indication of it in his published account. Palmer, actually involved in trading, may have preferred to keep his own counsel. The settlers were poor and no doubt the officers and other dealers left them poorer, but it is not easy to see how "fortunes" were made fleecing ex-convicts trying to make a living with varying enthusiasm on partly cleared thirty acre small holdings.

Historians have criticised the officers because, it is alleged, by their profiteering, their tempting the settlers with rum and their monopolising of the Commissariat Store, great numbers of the farmers were involved in financial ruin and their farms passed to their officer-creditors

33. Hunter to Portland, 12 Nov. 1796, H.R.N.S.W. iii, 169.

34. H.R.N.S.W. iii, 178.

by foreclosure. "When the year 1800 opened ninety per cent of Australia's four hundred farmers knew that they ... were economically in utter subjection to two dozen of their number".³⁵ This picture seems far too dark. Many farms did change hands but they were rarely acquired by military officers, and although some officers did buy out small settlers the surviving evidence does not confirm the traditional picture of foreclosing officers with a mortgage in one hand and a bottle in the other. If we analyse the land holdings of the twentynine officers and civilian officials in the Settlers' Muster Book of 1800 we find that more than 50 per cent of their holdings of 12,586 acres was acquired by grant, a further 11.7 per cent at least was acquired from brother officers, 15 per cent was bought from soldiers (few of whom were genuine farmers) and a mere six per cent was acquired by the purchase of thirty acre grants. Moreover not all of these were bought from the original grantees.³⁶

Brian Fletcher when studying the small farmers in the Hunter period also found little evidence to support this allegation. While he found that most small farmers were in economic distress in 1800, the depression which gripped them was due to many causes: unsuitable soil for some, Hawkesbury floods for others, and for many the perennial problem of the unsuitability to an agricultural career of many ex-convicts. Nevertheless no less than 35 per cent of those who held grants in 1795 still retained them, and "roughly 95 per cent of Hunter's grantees still occupied their original farms",

35. Fitzpatrick, op. cit., p. 93.

36. Cf. Mutch transcripts of King's Musters 1800-1802, Mitchell MSS A4413, or originals in Settlers Muster Book 1800 Mitchell MSS Safe 1/104. For the individual officers and their land holdings, see Appendix B.

and many of them continued to do so for many years.³⁷

The wealth the officers acquired through trade is very difficult to estimate. Evidence is lacking for most of them but such scraps as exist do not suggest the creation of a set of Botany nabobs. Some at least of those who returned to England found wartime London distressingly expensive.³⁸ Although some certainly prospered the wealth they achieved would tend to be an Old Testament kind of wealth - flocks, herds and acres - but not a kind of wealth it was easy to transport from the colony. Major Foveaux amassed 1,170 acres (all by grant) and 1,350 head of sheep; which he sold to John Macarthur in 1801 for £2,000. While this was a very substantial sum for an officer like Foveaux to amass during a few years guard duty in a prison settlement, Macarthur must surely have had the best of the bargain.³⁹

Dr. Steven's recent statement that "many of the military men ... who conducted mercantile speculations on a notable scale, had had some commercial background before joining the army" does not seem adequately supported by the single reference she cites.⁴⁰ Moreover she only names four 'military

37. B.H. Fletcher, "Development of Small Scale Farming in New South Wales Under Governor Hunter", Journal of the Royal Australian Historical Society, June 1964, p. 1 ff. Significantly though a critic of officer trading, in 1793 the Rev. Richard Johnson blamed the settlers' "Improvidence and Idleness" for the fact that "few of about 100 Settlers are worth sixpence". George Mackaness (Ed.) Some Letters of the Rev. Richard Johnson B.A., (Sydney 1954) Part II, p. 13.

38. For example, Balmain to Wentworth, August 1802, Wentworth Papers, Mitchell MSS A754⁻², pp. 110 ff; John to Elizabeth Macarthur 1810 and after, Macarthur Papers, Mitchell MSS A2898, pp. 57-58 inter alia.

39. Macarthur Papers, Legal Documents Mitchell MSS D186, pp. 1-11.

40. Abbott and Nairn (Growth), p. 121.

men' to support the suggestion: Macarthur, Fenn Kemp, James Chisholm and Garnham Blaxcell. Of these Chisholm was only an N.C.O. and Blaxcell was never in the army at all. (He did not arrive in Sydney until October 1802 when he exchanged the post of acting purser of H.M.S. Buffaloe for a position in the Commissariat Department.) Macarthur, though the son of a mercer, joined the army when only fifteen years of age and although Kemp was the son of a merchant there seems no evidence that he had much opportunity to acquire wide commercial knowledge before he joined the New South Wales Corps at about the age of twenty. By commercial 'background', therefore, we are presumably not meant to understand commercial 'experience'. It would seem more to the point to stress that the officers were typical of the great majority of early Sydney traders: they arrived in Sydney lacking either commercial experience or capital.

Dr. Steven seems on safer ground in saying that "during the first ten years in the colony market conditions were so favourable that anyone, regardless of ability, was capable of producing a profit."⁴¹ However, there can be little doubt that the officers must have faced difficult problems at times for they were involved in a situation in which they had to pay sterling for every piece of merchandise they acquired but the settlers, their natural customers after the soldiers, had no sterling or very little. As we have seen the settlers would pay in grain or meat or in promises of grain or meat to come - somewhat precarious promises which were not always fulfilled - and these the traders had to convert to sterling by putting

41. loc. cit.

them into the Store. Although a sure way to acquire sterling it was a rather long drawn out process. It would be surprising if they did not at times get their fingers burned, and it is remarkable that so few farms passed into the hands of officers by foreclosure in view of the financial difficulties of the farmers. No doubt the importers asked high prices - there appears to be overwhelming evidence that they did - but in what medium of exchange are these prices quoted? Are they quoted in grain or pork or simple "notes of hand", in other words currency, or in sterling? Almost certainly in currency and this further clouds an already obscure picture.⁴²

In Hunter's time the Government's annual expenditure on grain and meat was probably never less than £15,000.⁴³ As detailed Commissariat records have not been discovered we do not know how many traders and settlers shared this cake, but if some officers grew affluent in sterling rather than simply in animals and acres it was by obtaining a substantial slice. The small farmers desperately wanted spirits either to drink themselves or to pay their labourers with. The traders could offer spirits and other goods for grain, a more attractive offer than the six to ten shillings a bushel normally offered by the Store. Since the traders were offering goods greatly valued by the settler and comparatively cheap to the importers, the

42. In commenting on the very high price for which an officer sold a defective horse imported on the Britannia in 1793, Collins observed that "in these sales stock itself was generally the currency of the country, one kind of animal being commonly exchanged for another". Such a transaction occurred here, but Collins still quoted the price asked as if it were in sterling. Collins (1798), p. 333.

43. H.R.A. I, i, 491, 500, 529; ii, 222-223.

latter could profitably buy grain from the farmer for goods, sell the corn to the Store for sterling and pay the waiting master-mariner for goods already sold or for further consignments just arrived.⁴⁴

In fact the system by which spirits passed from the hold of a ship in Sydney Cove to the belly of a farmer on the Hawkesbury frontier and negotiable bills were fashioned from ripening grain very quickly became more complex, and the officers and their allies among the senior officials speedily became only the first big link in a chain connecting ship and customer. An important factor has been omitted: the dealer, a man who must now have a chapter to himself. The questions we must seek to answer in order to understand the foundation period of Australian commerce are these: granted that for several years the officers dominated trading, for how long did this advantage last? Who came to share and stayed to usurp this advantage and why did the transfer occur?

44. It would be interesting to know how profitable these transactions were but as so often with the individual ventures of the early entrepreneurs there are no records to support a precise conclusion.

Chapter Two: The Emancipist Emerges.

Some of the very dregs of those who have been sent here convicts are now in possession of their horses and chaise, servants, and other symbols of wealth....¹

Ex-Governor Hunter 1802.

His Excellency the Governor has done me the honour to class me with that Description of Characters which stands in the highest Degree of Eminence in the commercial world, namely a British Merchant²

Simeon Lord 1804.

It is a pity that the detailed records of the Commissariat under Hunter have not survived or remain undiscovered. It may be that if we could examine them we would be able to trace the gradual eroding of the officers' sterling advantage as the Governor signed more and more Treasury bills in favour of men of less gentility but equal acquisitiveness. Certainly the Commissariat records of the King period, providentially preserved in the Governor's private papers, show that after 1800 a cuckoo has taken over the nest and ousted the officers from their privileged position. The King papers show first that most Store receipts for grain and pork were received by "Dealers" of one kind or another, and secondly that only a small proportion of these receipts went to officers, whereas during at least the early 1790s it is reasonable to suppose that a majority of the receipts

-
1. John Hunter, Remarks on the Causes of the Colonial Expense (London 1802), p. 29.
 2. Simeon Lord to the Court of Civil Jurisdiction in Lord v Nicholls (for defamation) September 1804, Governor's Appeals Court Papers, N.S.W. Archives 4/6607.

went to officers directly or indirectly.³

More significantly officers received less than an eighth of the Treasury bills drawn by Governor King, and not all of these bills were for grain or meat put in the Store. The Treasury bills of the King period are analysed in Chapter Five below. Suffice to say here that the officers did not monopolise the Store after 1800 (the date from which for six years detailed records survive) and that the transfer of economic power from the officer group to the large diverse group of their local competitors was likely to have been a gradual process which began much earlier than the year 1800. This is indicated by the emergence during the Hunter period of another group of entrepreneurs with sterling capital to invest, who were destined to transform the Sydney commercial scene: the emancipist traders. When Robert Campbell immigrated to Sydney in 1800 these traders had already emerged to challenge the officers' dominance. The settlers of New South Wales were not in economic subjection to two dozen officers and officials, because the commercial community was already numerous and of a much more varied social background. Above all it included ex-convicts. Most significant of all, far from being the closely united cartel of the traditional accounts, the commercial community was fiercely competitive. Law suits became a local pastime, as alliances, partnerships and factions formed and re-formed changing their purpose and membership at the dictate of circumstance. The very success of men like Simeon Lord, Andrew Thompson, Henry Kable, James Underwood, Thomas and Mary Reiby, Isaac Nicholls

3. See below Chapter Five. For Commissariat Records 1800-1806 cf. King Papers, Mitchell MSS A2018.

and Thomas Abbott suggests that officer dominance was being eroded before 1800. The lack of any account of the rise of these men is one of the serious deficiencies of the pioneer histories of the period, for their appearance is a vital chapter in the history of Australian commerce, and while more recent historians have noted the development they have not sought to explain it.

These men got their start as an adjunct of officer enterprise. While the officers had a monopoly of the purchase of imports for some years it is likely that retailing passed quickly into other hands. Several witnesses alleged that some officers sold spirits from their own homes but this would have been to soldiers in their companies rather than settlers and no witness suggested that all officers sold retail.⁴ Indeed the officers would have known that too open a dabbling in retail trade menaced not only their professional advancement but their very social status. It was an odd quirk of the English caste system that a gentleman could engage in wholesale trade - that is, be a merchant - but he could not be a retailer. To be 'in trade' was social death in certain circles well into the twentieth century. As it was, the Horse Guards, in the formidable shape of the Duke of York, was angered at the report that officers were involved in mercantile and pastoral pursuits, though Hunter had not accused them of retailing.

4. "... in the profits of the rum traffic some of the officers were sharers, if not directly, through improper agencies." R. Therry, Reminiscences of Thirty Years Residence in New South Wales and Victoria, London 1863, p. 74. Hunter testified later that the officers traded in "a secret, indirect way". Enquiry into Transportation (London 1812), p. 48. "Capt. Cox employs Gabriel to sell his rum for him." Maurice Margarot's Journal, Rusden Transcript, p. 29, Mitchell MSS B1374.

Sales in Port Jackson normally moved slowly and the officers would have wished to get their goods off their hands as quickly as possible so that they could make up their accounts with the waiting ships' captains. They were not numerous enough to retail goods quickly and needed middlemen from the first. There was, of course, no need for them to soil their gentility by descending to the retail level. At first they would use soldiers, the more able among their assigned convicts, or the mistresses or "common law wives" they chose from among the convict women.⁵ From among these pliable instruments there arose a number of men who had no intention of continuing to harvest for their betters when they could seek affluence for themselves.⁶ It must be remembered that the officers' initial monopoly of sterling would have been steadily eroded as the dealers sold to the Store grain which they had received from settlers in payment for merchandise which the dealers in turn had received from the officer group. Of course, a substantial portion of the sterling the dealers received from the Store would have to be paid to the officers for the merchandise already received, but the dealers' profit, alleged to be disgracefully high by several witnesses, would remain in the dealers' possession. Here is the foundation of the affluence of the emancipist traders which so astonished newcomers to the colony after 1800.

-
5. "[Laing] has taken a Lady into keeping, but makes the proper use of her ... her name is Bet Matthews", McKellar to Piper, 29 December 1793, Piper Papers, Vol. III, p. 496, Mitchell MSS A256. John Palmer testified: "Officers did not exactly sell spirits themselves but they kept women who did and these women used to dispose of it." Enquiry into Transportation, (London 1812), p. 58.
6. Relations between officer and middleman did not always run smooth. In 1798 Captain Prentice had to sue one Hugh MacDonald for £171 7s 9d balance due on a note for £222 17s 9d "for value received". MacDonald was almost certainly a dealer. Supreme Court Papers Bundle 29 No. 1 document 20, N.S.W. Archives 1165.

What sort of men were these budding entrepreneurs? How do we first hear of them? Writing in 1796 Hunter spoke of "the spirit of trade" as originating with "those whose situations gave them respectability and influence" but added that it spread to all the inferior appointments. These he defined in 1797 as "superintendants, storekeepers and various descriptions of people". In 1798 he observed "we have many dealers ... those and such of the officers as are concerned in trade pocket the whole produce of the labouring part of the settlement".⁷ By dealers Hunter means retailers. Magistrates Thomas Arndell and Samuel Marsden, when carrying out an enquiry for the Governor in 1798 received a number of complaints that the "dealers" who carried on the retail trade charged prices far in excess of those demanded by ships' captains. The Field of Mars settlers, petitioning Hunter in vigorous language declared the colony to be full of "... pedlars, dealers and extortioners" and some who sought only one pound's worth of credit were "compelled to drink £5".

By what means has a publican in his power to give credit? Is the property his own, or is he agent for a better or rather richer man than himself? Let the Colony bear testimony of this. It is well-known there is not one among them brought a penny to the Colony, and in the course of two or three years they can mount a saddle horse, ride out to a farm and reckon three or four hundred goats which they call their property.⁸

The petitioners are not describing officers. Possession of a saddle horse was hardly cause for comment in a gentleman. They are describing the tantalisingly shadowy figures, rarely named, now emerging as prosperous dealers from convict obscurity:

7. H.R.N.S.W., iii, 169, 224; H.R.A. I, ii, 136.

8. H.R.A. I, iii, 136.

Your Excellency no doubt would wish to be informed how it is possible for them to amass such a fortune... when the labouring man receives his hire in wheat he goes to ye publican to obtain articles in exchange. It is then observed to him with a sneer, 'I don't want wheat, but I'll take yours at seven shillings and sixpence per bushel and give you tobacco at fifteen shillings per lb.' This is the only place where such an article can be had and ye crafty dealer knowing this holds to his price.... This same wheat is resold at twenty shillings per bushel.

There is ample evidence of an increasingly prosperous group of middlemen standing between the officers and the settlers. In February 1800 a settlers petition claimed the officers had bought rum from Robert Campbell's ship Hunter at eight shillings a gallon which had later been sold at from twenty to sixty shillings a gallon. Porter purchased from the Walker for from £8 to £10 a cask was resold at from £18 to £36 a cask. "All the above articles were sold by the retailers to settlers and others with an advance of from £50 to £80 stg. per cent on the above mentioned prices."⁹

Thus the officers were only one link in a commercial chain, with the dealers as still other links. It was the farmer who felt the burden of profiteering worst, for the farmers complained, no doubt justly, that while the officers and dealers could pass on high prices to them, they could not pass them on to the hired hands. If prices rose so did the demands of labour, and since labour was scarce these demands had to be met. Here is the basis of much of the complaints of Hunter and later governors that traffic was ruinous to the husbandman. Over the years many farmers had to seek their livelihood on the labour market surrendering their farms, often

9. H.R.A. I, ii, 442. The Hunter arrived in 1798, the Walker in 1799. In March 1802 King wrote Portland that although many ex-convicts had worked hard the produce of their labour had gone into the pockets of a few traders who had their agents in every corner of the colony.

no more than a stump infested clearing in the bush, either to their creditors or some local purchaser. To blame the dealers for the troubles of the farmers, however, is to castigate the effect rather than the cause. Floods, droughts, a very uncertain market, the frustrations of distance and poor communications, the lack of either a local or an officially imported coinage, together with the frequent unsuitability of the soil for agriculture and the common unsuitability of the grantees for agricultural pursuits, all these combined to produce bankrupt farmers and abandoned farms. The astonishing thing is not that farmers sank beneath their burdens, but that so many survived to achieve a modest affluence.

The dealers too had their failures, their embarrassments and occasional bankruptcies - much more spectacular and alarming to their neighbours than those of the settlers - but the affluence of the successful was much grander in scale, sometimes remarkably so. Who were the dealers who laboriously climbed the slippery pole to prosperity in the Hunter period? Not all were ex-convicts. There were such figures as Darcy Wentworth, Assistant Surgeon, and there were junior commissary officers, often at an outlying settlement, like William Broughton. Their superior officer, first John Palmer, and then during Palmer's absence overseas, James Williamson, was a wholesaler in the officer group, but no doubt the Commissary had ample opportunities to sell retail through underlings and took full advantage of them. In September 1800 Governor King reported that all the actions in the Court of Civil Jurisdiction had Deputy Commissary Williamson either as plaintiff or defendant, and that he hoped that if he was allowed to return to New South Wales he would not be permitted to bring back "his pedlar's

pack".¹⁰ The most important middlemen in the Grose-Paterson-Hunter period were obviously the men who we know to have been commercially prominent in the first year of King's administration. The most prominent of all was Simeon Lord.¹¹

Sentenced at Manchester Quarter sessions to seven years transportation for theft in 1790, Simeon Lord was twenty years old when he reached Sydney in the Third Fleet. Strikingly handsome when young, though increasingly corpulent in middle life, he may have been able to read and write when sentenced but could otherwise have been little educated. Cunning, bold and blunt, clear-sighted, avaricious, combative and litigious, he was capable of enlisting the support of men as diverse and eminent as Governor Macquarie and Governor Darling. Feared, envied, resented, he was a formidable figure on the Sydney scene for more than twenty years and a successful businessman for more than forty.¹² His progress was spectacular enough to attract the interest of Sir Joseph Banks during King's governorship

10. H.R.A. I, ii, 672. Even as hyperbole this was wildly overstated. The surviving court records show Williamson as plaintiff in nine cases in July 1797 and none thereafter. Darcy Wentworth was plaintiff in nine between 1796-1797, Simeon Lord in eight, James Larra in eight, Shadrach Shaw in eleven 1796-1797, cf. N.S.W. Archives 1092-1111. However, one case is illuminating. He sued John Bragg and Owen Cavanagh for a balance due for goods sold them "on their Account as Dealers", and in giving evidence Williamson's clerk, John Chapman, referred to his master as "a Merchant" in spite of the fact that he had been Deputy Assistant Commissary in succession to Palmer since the preceding year. The amount owed was less than £15. Supreme Court Papers (hereafter S.C.P.) Bundle 29 No. 1 Document 2, N.S.W. Archives 1165.

11. For a summary of Lord's career see this writer's entry in the Dictionary of Australian Biography, Vol. II and Simeon Lord (Melbourne 1968) in O.U.P.'s Great Australians series.

12. The lack of publicity accorded his death in 1840 might seem odd, but it probably reflects an obscurity which the old entrepreneur had courted rather than sunk into. He had sons who were highly respectable luminaries in both business and politics. His wealth could help them - his past could not.

and to this we owe our scanty knowledge of Lord's beginnings. Soon after his arrival he was assigned to Captain Thomas Rowley, a prominent officer-trader. If Rowley needed a middleman to respectably cloak his trading with he certainly chose the right man. Banks was told in 1806 that Rowley had so valued Lord's services that when he achieved his freedom the Captain had set him up as a baker and licensed victualler.¹³

Governor King's version was that Lord had worked in the Commissariat Department as well as for Rowley - which must have been an invaluable experience - and then began "a pedalling traffic" which "he had principally obtained by his services as a broker to those who could not or did not choose to appear themselves".¹⁴ In other words a gentleman or group of gentlemen would purchase a large share of a cargo of merchandise and place it all in Lord's hands to sell on commission, wholesale and retail. Ship's captains found him useful and Captain Waterhouse stressed to Banks his auctioneering and commission selling in explaining his rise to affluence. Both Waterhouse and King were writing in 1806 and may well have telescoped events. Certainly it is impossible to say just when Lord began his independent wholesale operations. According to Waterhouse when captains found that the officers' ring were depriving them of a share of the high profits on imported goods they began to by-pass the established wholesalers and began to sell by auction. Lord then "commenced auctioneer" getting

13. Capt. Henry Waterhouse R.N. for Joseph Banks, 10 June 1806, Banks Papers Brabourne Coll., Vol. 4, pp. 272-274, Mitchell MSS A78-3.

14. My italics. King Papers, Vol. 8, Mitchell MSS A1980⁻², pp. 215 ff.

five per cent for selling the cargo and for collecting the bills and it was understood that, thanks to the rewards of discounting, five per cent was not half his profit. However, there is no other evidence that Lord was an auctioneer during the Hunter period and it is ^{more} likely that King appointed him auctioneer because he was already a successful trader than that he became a successful trader because he was an auctioneer. Lord had built a warehouse on the site of Macquarie Place capable of holding large cargoes and this was so convenient to masters and supercargoes that he was to get the disposal of a high proportion of cargoes after 1800. Told that Lord had a reputation for fair dealing, Governor King made no objection to Lord's selling on commission, and appointed him public vendue master, all of which "threw him into a very extensive line of wholesale and retail [trade]."

As early as 1798 he seems to have been some kind of agent to Captain Cameron of the Barwell for he was accused of bribing a witness on Cameron's behalf.¹⁵ (The charge was not substantiated.) In September 1798 he bought a house, premises and "ware-rooms" from a dealer called Shadrach Shaw for £160.¹⁶ In June 1799 he was one of a number of traders who petitioned Hunter in support of Deputy Judge Advocate Dore's writ system (which allegedly made it more difficult for debtors to frustrate their

15. S.C.P. Bundle 26 item 6, N.S.W. Archives 1163.

16. Appeals Court Case Papers Palmer v Lord 1803 N.S.W. Archives 4/6607. This purchase was the most important transaction of Lord's life for these buildings were levelled to make Macquarie Place and the compensation Governor Darling paid in 1827 made Lord one of the biggest landowners in New South Wales.

creditors).¹⁷ In 1799 Lord was sufficiently established to join with Aaron Davis, Norfolk Island dealer, in buying the prize ship Hunter and send her to India via New Zealand, and in 1800 he bought the prize Anna Josepha, loaded her with Hunter River coal and spars and dispatched her to the Cape. Lord's career after 1800 will be examined later.¹⁸

Lord cannot be described as a typical emancipist trader for his operations were too large and diverse, but he was a member of a numerous group. Another was Henry Kable whose commercial beginnings are still more shadowy. An illiterate man transported in the First Fleet, Kable was for several years a constable and then Senior Constable of Sydney, and probably profitably plied with liquor the drunks he locked up. With James Underwood, his partner in 1800, he was one of the founders of the colonial shipbuilding and sealing industries. Underwood may have arrived in the First Fleet, and learned the craft of boat-building in Hunter's time. The capital they mobilised for shipbuilding and sealing in 1800 must have come from trading.¹⁹ Thomas Fyssh Palmer, one of the 'Scottish martyrs', acquired two boats, both of which were cast away, before he joined a syndicate in buying the prize ship El Plumier on which he left the colony in 1800. Though he played no part in the commercial developments of the King period, therefore, Palmer and his associates had also found it possible to prosper in a colony

17. S.C.P. Bundle 18 item 30 N.S.W. Archives 1112. The traders included John Harris (emancipist publican), William Broughton, Henry Kable, James Underwood, Isaac Nicholls, James Larra, David Bevan, Daniel Cubitt, Michael Robinson, Robert Sidaway and Alexander MacDonald.

18. For the Hunter cf. S.C.P. Bundle 30 Nos. 3 and 4, N.S.W. Archives 1113, and Lord, Kable and Underwood v Harris and MacLaren on appeal, 1807, N.S.W. Archives 4/6606 p. 531; for the Anna Josepha, H.R.A. I, iii, 169, 636, 773, 804. See also Chapter Four below.

19. Cf. appropriate entries by this writer Dictionary of Australian Biography, Vol. II.

whose commercial life was supposed to be monopolised by an officer clique.²⁰ So had others, such as the convict woman who bought a house for £20, put up the sign of the "The Three Jolly Settlers" - an unconsciously ironic touch - and met with "tolerable good success in the public line". She wrote her family in 1798 that any person who left England with a few hundred pounds to lay out at Rio was likely to make his "fortune". The foundation of her own was a little judicious trade in sugar, tea, thread and tobacco she bought on the voyage out.²¹

Thus if the officers cast a large shadow in the early 1790s this did not prevent an underbrush of lesser dealers to spring up around them: rather the officers brought this situation about. Not wishing to soil their gentility by too blatant a descent into the market place, they permitted the retail trade to fall into the hands of ambitious, able if uneducated men with no gentility to lose. By doing so they made affluent those who would oust them from their position of privilege. The parasites slowly strangled the tree. In 1798 Governor Hunter appeared to sanction the officers' monopoly of purchase by asking the colonists to let the officers buy on their behalf. The same year the officers "and some of the principal inhabitants" signed a price fixing agreement for wholesale purchasing.

20. Marjorie Mason, "Thomas Fyssh Palmer, a Political Exile of 1793", Scottish Historical Review, Jan. 1916. "Bowman paid Fyssh Palmer at the rate of twelve shillings a bottle for his Maize-Spirits" - presumably moonshine - and "Palmer, a reformer, sends rum to Norfolk Island and sells @ £3." These sarcastic comments on Palmer were written by Maurice Margarot in his diary at an unspecified date probably 1799, cf. G.W. Rusden transcripts of Margarot's diary, p. 30, Mitchell MSS B1374.

21. Taken from The True Briton, 10 Nov. 1798, quoted in H.R.N.S.W. iii, 509. Another convict dealer, but this time a gentleman, was Sir Henry Brown Hayes who had a house "with several large rooms and a good warehouse, where Goods in retail are expos'd to Sale". Tiring of it he put the business up for sale in 1805. Cf. Letters of John Grant, April 1805, Mitchell M/film FM 4/1141.

Much has been made of this.²² In fact the pattern of commerce after 1798 suggests that it is as reasonable to interpret this "monopolistic agreement" as a desperate attempt to shore up a crumbling dike. They had traded for six full years without such an agreement - within two years of signing it their day was over. In future the officers who remained in New South Wales (either in the services or as civilians) tended to concentrate on pastoral farming, especially highly profitable cattle raising.

In 1800 King became governor. It was not the only changeover. The changed pattern of commerce which was to characterise his rule was heralded even before he succeeded Hunter by the arrival of two ships, the Thynne and the Minerva. The Thynne, which came on charter to the officers, brought tea, clothing, sugar, "other necessaries and 9,106 gallons of spirits" from Bengal. The Minerva was a transport with a speculative cargo. Petitioning for leave to land the Thynne's cargo on behalf of the proprietors ("almost every officer" in the colony), Macarthur, Dalmain and Williamson claimed that the Thynne's voyage demonstrated that the officers could supply their own needs for a moderate price. There would, therefore, be no need in future for them to make large purchases from "adventurers". This would leave the "lower description of inhabitants" to buy cargoes without competition and there could be no repetition of the 'unfounded' charges of monopolising which had been levelled against the officers.²³ We may treat with caution

22. H.R.N.S.W. iii, 405-406 for agreement, while Hunter's order of June 1798 is at 408.

23. H.R.A. I, ii, 438.

the suggestion that the officers were voluntarily retreating from the commercial scene. Firstly, despite their professed independence of and lack of interest in speculative cargoes brought by "adventurers", the officers bought £2,161 worth of goods from the Minerva. Secondly, the Thynne was not the first of a series of vessels chartered by the officers: there is no evidence that they were ever to charter another. One may question the sincerity of the letter, but the general tenor was more true than the writers can have known. The officers' domination of the wholesale trade was over. The transition was signalled by the arrival of the Minerva. Soon after she anchored Governor Hunter received a petition from eighteen men seeking permission to buy directly a number of items from her cargo of spirits, wine, provisions and clothing.²⁴ In the past they had had to buy such items through others, no doubt at greatly inflated prices. The petitioners therefore are middlemen. They would be armed with Treasury bills obtained from the Store in exchange for grain paid to them for their retailed wares. Among them were emancipists Simeon Lord and Thomas Abbott, minor officials Nicholas Devine and William Broughton and the ex-Missionary trader-preacher Rowland Hassall.

If one wished to nominate any one moment at which the cuckoo took over the nest this might serve. Hunter granted their request reluctantly. He had not dared to refuse the officers' petition and so felt he could not in justice refuse this less powerful group either.²⁵ He did not see the

24. H.R.A. I, ii, 439.

25. Op. cit., p. 437.

petitioners as shining knights of free enterprise about to slay the dragon monopoly. No doubt he had observed them in action before and taken their measure. However, from 1800 onwards the commerce of New South Wales in spite of its idiosyncracies, flowed steadily into more conventional channels.²⁶

26. Many of the officers who had speculated heavily in the 1790s dispersed in the first years of the new century. Clephan, Nepean, Hill, Edward Abbott, among others, had already gone home. Paterson was in England 1796-1799 and probably did not trade after his return. Macarthur went home in 1801 and was a civilian after 1803. McKellar left Sydney in 1802 in a ship which was lost with all hands. Rowley resigned his commission in 1802. Foveaux was on Norfolk Island until 1804 and in England for the next four years. Balmain went home in 1801 and died there in 1803. Piper, a minor member of the ring was on Norfolk Island in the King-Bligh period, cordially co-operating with Simeon Lord. For officers' careers see Australian Dictionary of Biography, Vols. I & II.

PART TWO: THE DEVELOPMENT OF COMMERCE

Chapter Three: Themes and Influences: The Store, Spirits and the Currency Problem.

... while New South Wales continues a convict colony, and subject to the summary and arbitrary administration by which it is now governed, it can never become a flourishing commercial establishment.

Alexander M'Konochie 1818.¹

M'Konochie's dour comment, though it does underestimate the degree to which a commercial community had already developed in Sydney at the time he wrote, does remind us that we cannot ignore the influence of the government. We may wish to "get off the verandah" but Government House cast a very long shadow. The entrepreneurs might be destined to change their environment but they worked within a milieu shaped by and variously restricted by a powerful force: the Colonial Governor. Inevitably much of the entrepreneurial history of the early colony consists of a dialogue between traders and governors. Sometimes they worked in the closest harmony, as did Macquarie and his road builders, sometimes they were bitterly opposed - so opposed that the traders once forget their mutual jealousies and combined to overthrow their local ruler. Nevertheless, whether in harmony or in bitterness, the traders might seek to evade but they could not ignore the stream of orders, regulations, advice, encouragement, prohibitions and warnings which emanated from the governor's office. Throughout this work, therefore, the policies of the governors must recur again and again. In the following chapter we consider three official policies which influenced the traders: firstly, the Commissariat Store acting as a retailer in competition with the private traders in the King

1. A Summary View of the Statistics and existing Commerce of the principal shores of the Pacific Ocean, London 1818, p. 250.

period; secondly, the policies of King, Bligh and Macquarie towards the spirit traffic; and thirdly, the currency problem under those governors.

i

Contemplating the profiteering that was so common in the settlement in 1797 Governor Hunter had suggested to Whitehall that cargoes of goods, both foodstuffs and hardware, clothing and textiles, should be sent to Sydney at Government expense and retailed to the colonists at certain fixed rates which would cover costs. The profiteers would be undercut and thereby put out of business. Hunter reiterated this suggestion in January 1798, suggesting the scheme should be extended to Norfolk Island, and in May that year reported that the 'stores' by the Barwell would enable him to furnish tools to settlers at moderate prices.²

A month later the newly appointed Lieut.-Governor King, then at Plymouth, was setting down a more explicit proposal for a government retail store "which has partly been carried into effect by the cloathing (sic) and some other articles lately sent out being to be disposed of" to colonists not in public employment instead of being given away as in the past. (Thus some items had been retailed in the past months but this was a very haphazard and chancy substitute for the permanent store which Hunter had first suggested and which King was now proposing in more detail.) By King's scheme the supplies should be constant and would be sent to fulfil a request annually drawn up by the Commissary and approved by the Governor.

2. Hunter to Portland, June 1797, H.R.N.S.W. III, 219. Hunter to Portland, 10 January 1798, H.R.N.S.W. iii, 344; ditto 25 May 1798, op. cit., 390. It is unlikely the contents of the Barwell were a response to the suggestion of June 1798 for there is no evidence of this.

The goods should be sold at an increase of thirty per cent on prime cost for perishables and fifteen per cent on imperishables. The goods should be packed in casks which the store could sell to whalers. If goods were damaged the price of the remainder could be increased to cover the loss. The store would be open at stated periods, and goods would be sold for money or for grain or meat, or on credit on the security of the growing crops if the Governor permitted it. People who sought to buy for future sale either directly or covertly should be "deprived of every future supply" and subjected to other penalties. King also submitted a list of suggestions for the first consignment, mainly hardware, harness, and clothing.³

In November 1799 the Duke of Portland finally replied to Hunter's suggestion of 1797 but only to complain that in August 1797 he had instructed Hunter to sell some goods sent out that month for grain or meat.⁴ Hunter had indeed been disposing of goods to settlers, no doubt in modest quantities but this was no substitute for a formally established permanent store stocked with goods directly and regularly ordered by the Commissary Department in Sydney. Significantly when the Parramatta settlers petitioned Portland for redress of grievances in February 1800 they urged the opening of a "public warehouse" from which they could buy goods so cheaply that they in turn could afford to sell their grain to government more cheaply, and the expenses of government would thereby be reduced.⁵

-
3. Lieut.-Governor King to Under-Secretary King, 8 March 1799, H.R.N.S.W. iii, 641-644.
 4. H.R.N.S.W., iii, 297, 735.
 5. H.R.N.S.W., iv, 27.

The wishes of the Parramatta settlers were destined to be granted, for during 1800 decisive steps were taken to establish a government retail store. In August the two whaling firms of Enderby and Champion suggested to Lord Liverpool that their whaling vessels, which they intended to send direct to the New South Wales coast, should carry out cargoes to Sydney. The whaling masters pointed out that infrequent and irregular shipments to Sydney had led to profiteering and monopolistic practices. Moreover American vessels, unrestricted by the East India Company's monopoly, had frequently made profitable voyages to Sydney and might well end by monopolising the colony's import trade if the restrictions of the Company's monopoly were not eased. Under-Secretary King, commenting to Liverpool on this application, agreed that the whaling masters' facts were correct, and that to counteract profiteering "we have set up a Government store to relieve the Inhabitants". The Under-Secretary suggested that the whalers be permitted to take out cargoes on condition that the Governor should decide at what advance they should be sold. Moreover, to guard against the whalers acquiring a monopoly, Government should send out goods at least to the value of the produce it wished to purchase from the settlers. King's comments also reveal that between £15,000 and £20,000 worth of goods had been sent out on "the last ships" on Government account for retail through the Government Store. As for the East India Company its interests were in no way involved, and King expected - as it transpired correctly - that it would raise no serious objection.⁶

6. H.R.A., I, iii, 1-3.

Although the whaling masters did not suggest that their cargoes should be purchased by the Governor for retail in the colonial Store - which would have guaranteed them a profitable sale - they may well have anticipated that this would happen once the governor-designate took command. Phillip Gidley King was at one time a debtor of and at all times a friend of the Enderby family, and he had provisionally agreed to take a third share in the first whaler cargo before it left England. He guaranteed "an artificially lucrative market" for the Britannia and Greenwich investments, "at a time of sudden and unprecedented glut in Sydney". He did not extend the same favour to the whaler Venus "which went away with goods unsold; the whaler scheme thus came to an abrupt halt...".⁷ However, it would be unjust to King to suppose that his enthusiasm for the Government Store was due to his own material interest. In September 1800 he bought merchandise from two American ships for retail through the Commissariat Store, claiming quite untruthfully that the "death of monopoly" could be dated from that moment.⁸ The whaler venture may have been checked by an early failure, but the dispatch of "annual and extra supplies", as they were called, for sale by Government continued throughout the King period. The questions which arise are: What effect did these supplies have on the Sydney market, if at all? Did the Store provide the settler with a useful alternative to the private dealer with whom it competed? Finally, did dealers, in defiance of regulations, succeed in purchasing these goods for resale?

-
7. Michael Roe, 'Australia's Place in the Swing to the East 1788-1810', Historical Studies, Australia and New Zealand, Vol. VIII, No. 30, May 1958, p. 204. The profit guaranteed by the Governor would be small but certain. On the open market the profit might be larger - or non-existent. In the early King period the latter was only too likely.
8. Untruthfully because apart from any participation by Government the import trade of New South Wales became intensely competitive from at least as early as January 1800 onward (see Chapter Five below).

In the period 1800-1803 prices were low but this was not due to the operations of the Store but to the supply of goods outrunning the demand. The market was glutted and, as George Bass reported, the situation was made worse by the Governor's determination to win Whitehall's approval by reducing public expenditure. There were, therefore, fewer Store receipts and Treasury bills in circulation and in this deflationary situation the movement of goods slowed and prices fell.⁹ Even after 1803 the flow of goods into Sydney in British, Indian and American vessels and through foreign prizes sold in the Sydney Vice-Admiralty Court held prices below the levels said to have been common during the 1790s. Contemporary settlers hailed King as their deliverer from economic oppression simply because relief from high prices coincided with his appointment, but this 'post hoc' fallacy need not deceive the modern observer. The scale of the Store's operations was comparatively modest. Between March 1801 and August 1806 only £21,590 worth of goods was placed in the Store for barter (quoted at the retail price), and of this only £11,469 worth - less than half - was bought and paid for by settlers. A further £4,486 worth of goods, which had been sold on credit still remained unpaid for in August 1806. A further £3,214 worth had been issued for Government purposes and £1,995 worth remained in stock. In short, a quarter of the goods was not sold at all, and of that which was sold a quarter was still not paid for when King ceased to be governor in August 1806.¹⁰ The scale of these

9. Bass to Capt. Henry Waterhouse, 4 Oct 1801, H.R.N.S.W. iv, 587.
The effect of government expenditure is analysed in Chapter Five below.

10. H.R.A. I, 502-503, 794 (for return of goods bartered).

transactions is unimpressive when compared with the £46,000 or more invested by the officers in Paymaster's bills alone between 1792 and 1800.¹¹ It is still less impressive when compared with the £49,000 worth of goods held in Robert Campbell's warehouse in 1804. Indeed at that time Campbell's stock of sugar alone was worth £5,000 more than all the goods taken into the Store for barter over a period of five years: £26,388 to £21,590.¹²

King claimed the scheme ended monopoly and thus held prices down. This claim seems ill-founded. The very fact that not all the stocks were sold, even though the stocks held were modest, suggest that the settlers found the scheme of limited use. This is not surprising. In times of glut the Store, far from undercutting profiteers, would have been undercut itself for while dealers unloaded their stocks at bedrock prices the Store, if officially non-profit-making was at least supposed to cover costs at all times. As for competition, the market was intensely competitive and there was no monopoly for the Store to combat. There were other problems. George Caley criticised the Store as "tedious ... dilatory and partial" and its wares as "the gleanings of the warehouse".¹³ Another observer condemned the scheme firstly because the goods were of poor quality and were sold to the Government at prices higher than merchants would have paid;

11. Even though the earlier period was longer for it must be remembered that for the figures to be really comparable the Store figures would have to be reduced by 30% to 40% to change them from the price at which the goods were sold to the price for which the Government bought them!

12. H.R.A. I, v, 106.

13. Caley to Sir Joseph Banks, 31 Dec 1803, Banks Papers, Brabourne Collection, Vol. IV, pp. 224 ff, Mitchell MSS A79-1.

secondly, because customers were antagonised by the restricted shopping hours, the tedious bureaucratic preliminaries and the "insolence of office"; and thirdly, because the scheme would promote idleness among the settlers since they would not pay Government debts for they could not be sold up without defeating the scheme's objects.¹⁴

The third question is more difficult to answer for the evidence is far too fragmentary to be conclusive. There were allegations that dealers, and even officers trafficked in goods obtained from the Store, and no doubt the venality of the clerks could have made it possible for small scale dealers to break the regulations. However, Caley wrote Banks in December 1803 that he did not believe large purchases would be made for "monopolistic" purposes as that would be too hazardous a speculation - a judgment hard to refute in view of the state of the market at that time.¹⁵ A list of purchases during July-December 1804 shows that the proportion sold to "the Civil Department" and to "the military" was very inconsiderable compared with the proportion sold directly to settlers, and "the military" would include N.C.O.'s and soldiers.¹⁶ After Macarthur's departure in 1809 Foveaux, then acting-Governor, sold off Store goods to the officers, some of whom annoyed the rest by selling the goods at auction quickly instead of hanging on for higher prices. Garnham Blaxcell described this unedifying episode to Macarthur in terms which did not disguise his

14. J.H. Tuckey MSS "The Present State of New South Wales, 1804", Mitchell MSS A2001, pp. 15-18.

15. Caley to Banks, 31 Dec 1803, Banks Papers, Brabourne Collection, Vol. IV, pp. 224 ff, Mitchell MSS A79-1.

16. H.R.A. I, v, 249-253.

contempt for the participants nor the novelty of the proceeding.¹⁷

ii

The Governor's spirit policy was a major influence on the trader and his market. Under Hunter the traders were able to import spirits without real restriction for Hunter confessed himself helpless to enforce prohibitions against the landing of spirits.¹⁸ Governor King had no intention of suffering the humiliation of such a confession of helplessness, and thought to check the social and economic evils of the liquor traffic by severely restricting the importation of spirits, by price controls and by placing its wholesale distribution under government supervision. This policy seems a reasonable one but it was far from successful. There was a flaw in the scheme, and there were worse flaws in King's execution of it.¹⁹

In December 1800 he distributed 2,000 gallons brought by the Royal Admiral among the colonists in the following proportions: 1,171 gallons to the officers civil and military, 320 gallons to the N.C.O.'s and soldiers, 320 to the mainland settlers, and 220 to those on Norfolk Island. In doing so, he charged the Corps at a cheaper rate per gallon than the settlers, a distinction castigated by one historian as "inexplicable and inexcusable" as it encouraged the very traffic the Governor was committed to suppress.²⁰ King's action is the more difficult to explain because in

17. Macarthur Papers, Vol. IV, pp. 8-9, Mitchell MSS A2900.

18. For example, "to oppose (these spirits) being landed, my lord, will be vain on my part, for the want of proper officers to execute such Orders as I may see occasion to give ...". Hunter to Portland, 15 Jan 1800, H.R.A. I, ii, 436.

19. The flaw in the scheme was that many of the evils that derived from the spirit traffic was due to its scarcity value. For this restriction was no cure (see below).

20. Frederick Watson in his introduction to H.R.A. I, iii, xvii-xviii.

September 1800 he had asked Lt. Colonel Paterson to read to the officers of the Corps a quotation from his official Instructions about officer trading, which was to be regarded as a public order even though the Governor did not intend to publish it out of deference to the officers' reputations. The extract empowered King to restrict liquor importations and forbade military trading in liquor under threat of court martial, although both officers and settlers were to be allowed a certain quantity for their domestic purposes.²¹ In fact King, who was appointed initially as Lieutenant-Governor, had not received the lengthy official Instructions which every other Governor brought to the colony and was not to do so until February 1802 after his elevation in rank. However, if he drew on his imagination for the 'extract' he sent to Paterson, there can be no doubt that both Whitehall and the Horse Guards would have approved of its general tenor. His *démarche* to Paterson was ingenious and well intentioned, it is King's subsequent conduct which is difficult to defend. How could he honestly claim to have discouraged the spirit traffic by officials when at every distribution he invariably gave the civil and military officers the same amount or more than he gave to the licensed victuallers? The practice of allotting twenty, thirty or forty gallons to each officer, the same to each 'licensed person', five or ten to each sergeant "who was not a licensed person" (an ingenuous distinction revealing that some N.C.O.s were licensed victuallers!), so much to petty officials and the rest to those colonists who could persuade the Governor to give them a permit, simply encouraged the traffic he claimed to be trying to extirpate.²²

21. H.R.A. I, ii, 542-543 and Note 211.

22. Typical distributions can be found at H.R.A. I, iv, 90, 335, 336; v, 75, 82, 277, 279.

His policy of restricting the importation of spirits was in practice partial, inconsistent and probably did more harm than good. It may be argued that King was seeking to check a grave social evil, and that his far from negligible attempts to restrict the entry of spirits are, therefore, to be commended. In his dispatches, however, King seems more concerned with economic evils than with specifically social evils, and the abandonment of restriction by Macquarie and the permitting of colonial distilling under Brisbane did not lead to terrible consequences for the community. His restrictive policy was two pronged: he took steps to have liquor exports to the colony checked at source by asking the Transport Board to tell captains they would only be allowed to land 500 gallons and asked the Marquis Wellesly at Calcutta to prevent the export of spirits from Calcutta; secondly, he sent spirits away.²³ In carrying out the second part of his policy his actions were curious and sometimes devious. He allowed liquor to be landed from the Fair American because otherwise it would have been smuggled in - surely an admission of helplessness as abject as Hunter's? He allowed liquor ashore from the Eliza - an American vessel come from Mauritius as a result of Simeon Lord's alliance with a French colonial firm - because the public had behaved very well when he stopped the landing of 16,000 gallons brought by the Eagle and as Christmas was near it would have been impolitic to forbid it! Further

23. Returns are at H.R.A. I, iii, 131, 594; iv, 90, 315, 528; v, 264. King also allowed the landing of 24,474 gallons of wine between September 1800 and 31 Dec 1804 and turned away 23,393 gallons. Of the latter 22,000 were sent away in two American ships along with 20,000 gallons of spirits.

liquor was landed from the Eliza and from the Star in the New Year for no apparent reason at all.

King could not always counter the ingenious manoeuvres traders employed to get spirits ashore in defiance of his prohibitions. For example when liquor was sent away on the Union it was cheerfully landed at Norfolk Island with the connivance of Captain Piper, the Lt. Governor, an ally of Simeon Lord.²⁴ This was not King's fault, but when liquor sent away on the Myrtle was transhipped at Hobart and re-imported on the Campbell-owned prize Sophia, the Governor's actions were equivocal. First he seized the Sophia and her cargo. Then he found his Deputy Judge Advocate doubted the legality of the confiscation, and so ordered the vessel to Bengal with her illicit cargo but the Sophia did not go to Bengal and the rum did remain in Sydney!²⁵

King's restrictive policy and his efforts to enforce it represented only a partial brake on spirit trading. From September 1800 to August 1806 nearly 100,000 gallons were landed, and about 70,000 were sent away. More than half the quantity landed, and almost half the quantity sent away arrived during the first fourteen months of the period. It could certainly be claimed that King discouraged overseas suppliers, and so caused a decline in the quantity sent. It can be said that he materially reduced the quantity landed. It could not be claimed that he quelled the traffic in the colony, for in addition to the effect of his distribution system

24. H.R.A. I, v, 16, 657.

25. The records indicate no reason why vessel and cargo were permitted to remain, op. cit., 244, 428.

already described, there was the effect on the price of checking the quantity in the market. His restrictive policy inevitably forced up the price of spirits and encouraged the illicit distillers to increase their production of 'moonshine'. King's remark to Hobart in May 1803 that he was under attack locally for "doing away with the traffic" shows remarkable effrontery. Certainly he controlled the price at which spirits were sold by those who brought it, but this simply served to increase the profits of the wholesale purchaser and the retailers for he failed to restrict the retail price. Maurice Margarot is a prejudiced witness but his complaint that sending liquor away simply kept up the price is impossible to refute.

26

Moreover, the policy hurt colonists whose support this isolated Governor needed. The farmers needed spirits in order to pay their casual labour force - if the price of spirits was kept up so was the price of labour. However, if it was annoying to have to pay a high price for the medium in which a farmer paid his wage bill, it was disastrous not to be able to buy it at all. Your labour would tend to desert you in favour of others better provided. It was not only farmers who felt these frustrations. In March 1803 Robert Campbell complained to the Governor

26. King to Hobart 9 May 1803, H.R.A. I, iv, 79. Margarot wrote: "Simeon Lord sells rum at 32/- a gallon. Capt. Cox ditto. Black his gin at 10 gns a case, etc - these are Governor King's regulations for the benefit of the colony while American ships who would be glad to sell their liquor at 5/-, 6/- or 7/- per G. are turned away!! Why?", Maurice Margarot's Diary, c 1801-1802, cf. G.W. Rusden's MSS, Mitchell MSS B1374 p. 30. Ironically the obvious benefit of restriction, reducing the consumption of spirits, would to a degree be countered by the increase in the production of illicit spirits in response to the sharp rise in price.

that for lack of spirits he had to pay sufficient cash to his employees so that they could purchase spirits from retailers for twenty shillings a gallon, whereas he could have paid them in spirits for two or three shillings a gallon had he been allowed to land a consignment. He had had to pay the same price himself in order to have some to issue to his domestic servants, and when he decided to "grubstake" ten men forming a sealing gang he could not buy even a few gallons under a guinea, and then he had had to part with precious dollars. Meanwhile his large building program was at a standstill for lack of spirits with which to pay the contractors, and further projects could not be even begun. Without spirits, Campbell concluded, he could not carry on "for no concern can sustain the present daily wages of seven shillings and sixpence to the Mechanics and four to the common workman".²⁷

The complaints of Robert Campbell in March 1803 are particularly interesting for it was the policy of Governor Bligh to put an end to the use of spirits as a medium of exchange. Bligh has been depicted in traditional accounts as a stronger figure than King, and indeed one historian has depicted him as a champion of the weaker members of society against the deprivations of the strong; a governor, indeed who would have established a very superior type of colony to the one which was destined to develop under the long rule of Governor Macquarie.²⁸ In fact Bligh's

27. I.e. unless such wages were paid in spirits at a profit to the employer, rather than in cash; H.R.A. I, iv, 131; Hainsworth (Builders), p. 25.

28. Cf. closing pages of H.V. Evatt, Rum Rebellion, Sydney 1938.

policies were not very different from King's policies - it was in their attitudes that they differed. King welcomed the development of commerce, of maritime enterprise and boat building; Bligh regarded them as excrescences which were of dubious legality at worst and no concern of the Governor's at best. He regarded the activities of the graziers with similar hostility and suspicion. Where King had encouraged the entrepreneurs to exploit the fisheries, and even the Pacific Island trades, Bligh showed them either indifference and a pettyfoggish insistence on the letter of the law being obeyed or outright hostility. Worst of all, he had favourites from whom this disapproval and interference could be withheld. However, the increasing tension in the colony from late in 1806 until the violent removal of Bligh by a coalition of officers, soldiers and entrepreneurs in January 1808 was probably due to the Governor's spirit policy more than any other.

Bligh did not initiate a new spirits policy immediately on his assuming the office of Governor, but waited until the following February. Either in that February or during the preceding month the Rev Samuel Marsden set down a lengthy memorandum on the spirit trade of the colony. Marsden was about to sail for England, and his precise intent in drawing up the memorandum is not clear. It is not formally addressed to the Governor, nor indeed is it signed, and the manuscript which has survived may only be a draft.²⁹ However, it is extremely likely that Bligh read the memorandum

29. For the identification of Marsden's handwriting and a discussion of this and a related document cf. Michael Saclier's "Sam Marsden's Colony: Notes on a MSS in the Mitchell Library, Sydney" in the Royal Australian Historical Society Journal, Vol. 52, Jun 1966, pp. 94 ff. The MSS itself is at Mitchell Uncat. MSS F26. See also lengthy extract, Hainsworth (Builders), pp. 25-27.

and was influenced by it. Marsden was not interested in the difficulties experienced by entrepreneurs or farmers who could not obtain spirits, but enraged by the evils which spirits brought upon the colony:

Jealousies, Misunderstandings, Differences, Litigations, Bankruptcies, Gaming & Murders. It enhances the Price of Labor, destroys Industry, ruins Families, destroys immense Quantities of Grain, increases the public Expenditure, and precludes the Possibility of the Colony's Happiness and Prosperity so long as it exists....

Marsden did not wish for a new spirit policy so much as total prohibition of its importation, though why he could not see that such a policy would still more encourage private distilling is a mystery. In default of that he advocated the prohibition of bartering spirits, so that it would be illegal for men to pay wages or make purchases with spirits. Marsden did not minimise the difficulties such a policy would encounter or the hostility it would arouse:

A Governor who shall ever attempt this ... must make up his mind to meet all the odium, Contempt and Opposition that Interest, Pride and Passion can possibly invent - Men of avaricious Principles, independent Fortunes and ambitious Minds are not easily governed in an infant Colony by the Ability of one Man ... their active Minds will suggest a thousand ways to make him feel the weight of their Resentment However, let the Consequences be what they may, it is much to be wished that Government would make the Attempt....³⁰

The memorandum is simply dated "February 1807". On 7 February Bligh wrote to William Wyndham commenting that he had been instructed to persevere with King's policy of not allowing spirits to be imported and sold except those which the Governor had officially licensed. After rehearsing the evils which had attended the use of spirits as a medium of

30. Hainsworth (Builders), p. 27.

exchange - and traversing much the same ground as Marsden covered in his memorandum - Bligh announced that he had decided "to prohibit the barter being carried on in any way whatever". The evils had not come from its consumption, he concluded. Therefore he would restrict but not prohibit its importation, but barter would cease so as to "bring labour to a due value and support the farming interest". A week later Bligh issued a Government and General Order prohibiting "the exchange of spirits ... as payment for grain, animal food, labour ... or any other commodity whatever ...".³¹ Prisoners caught disobeying the order would receive 100 lashes and twelve months hard labour. An ex-convict settler would receive three months imprisonment and pay a fine of £20, and all other inhabitants would be fined £50. All settlers convicted would be deprived of Government "indulgences". Informers would receive half of the fines imposed.

At a stroke all the colony's entrepreneurs and graziers were rendered vulnerable for although such practices may have become clandestine thereafter, it is unlikely that they ceased. They could hardly have envisaged ceasing entirely from paying labourers in spirits and it is difficult to see how under this order a trader could sell spirits for grain without laying himself open to the accusation that instead of selling spirits for payment in grain, he was buying grain and paying in spirits! Yet the threat to deprive culprits of all government indulgences was very serious. They needed access to the Government Store for their grain,

31. Bligh to Wyndham, 7 Feb 1807, H.R.A. I, vi, 124; order at H.R.N.S.W. vi, 253.

they needed convict labour under the assignment system. Moreover, if thus punished, they would not be allowed a portion of spirits from the next consignment landed for these were given or withheld at the pleasure of the Governor. As traders they would have been extinguished and it would have been difficult - perhaps impossible - to make a living as graziers. However, Bligh seems to have believed that he ended the use of spirits in barter, and bitterly complained of its resumption after his deposition. An observer who arrived in Sydney shortly before Bligh's fall was contemptuous of this claim:

Bligh took great credit for abolishing the barter of spirits. This barter did not originate from choice but from necessity from the want of current coin. The Colony then resembled a ship where it is well known to be the usual practice to pay for any little piece of service with a glass of grog. Such was the necessity of it that this governor's daughter was known to purchase eggs for his Excellency's breakfast with a glass of rum.³²

This may be simply a slander which Berry picked up from Bligh's enemies but as we shall see below, when considering the currency problem, Berry has put his finger on a vital point: prohibiting men from using rum as currency in certain types of transaction would create more problems than it would cure evils unless steps were taken to replace it with an effective substitute. No such steps were taken by Bligh.

If barter became furtive, trading in spirits remained vigorous and profitable. A transaction of John Macarthur clearly demonstrates the reason for the traders' enthusiasm for the traffic. In May 1807 Macarthur received a total of 270 gallons of spirit "from the Store" at a

32. Alexander Berry, *Narrative of a Voyage in the City of Edinburgh, 1807-1809*, MSS in Berry Papers, Vol. I, Mitchell Uncat. MSS 315.

cost to him of 17/- a gallon, and 108 gallons of cherry and orange juice at 25/- a gallon, the whole investment amounting to £364 10s. Twenty gallons of spirits he sold at cost to a man who may have been an employee, a further twenty gallons he supplied at cost to the Dart (a sealing vessel he had an interest in) and twenty five gallons he sold to a Samuel Young for 45/- a gallon - a profit of nearly 380%. The remainder of the spirits he combined with the fruit juice to make 'shrub', a type of cordial, and sold it at 40/- a gallon. (Since the total gallons sold amounted to 447 and the total gallons bought from the Store to 378 Macarthur must have added sixty nine gallons of water, probably in making the shrub.) The whole transaction grossed £921 15s and on an investment of £364 10s labour costs would only have made a very small dent in the profit of £557 5s.³³

The prohibition of bartering in spirits, or its application at least, did not survive Bligh's fall and Governor Macquarie did nothing to revive it. Indeed he occasionally paid contractors engaged on small public works in spirits issued from the Government Store. Moreover his policy toward the importation of spirits was a decisive break with the past. In his account of New South Wales written in 1804 Lt. J.H. Tuckey had condemned King's policy of restricting the importation of spirits on the ground that "no nation would ruin itself with drunkenness" though an individual might. He predicted that an ending of restriction would be followed by a temporary excess succeeded by a "universal sobriety".³⁴

33. Macarthur Papers, Cash Book No. 1, Mitchell MSS A2903.

34. J.H. Tuckey MSS "Present State of New South Wales 1804", 10 ff. Mitchell MSS A2001. Tuckey was no doubt over sanguine about the sobriety!

Macquarie's policy reflected this point of view. In April 1810 he suggested spirits should be freely imported "under a high Duty of not less than three or four shillings per Gallon". The home Government agreed, although it thought the duty might be too low, and it was later increased.³⁵ There can be little doubt that the new policy was well conceived from the large volume of spirits which would enter the colony would inevitably depress the price, and at one stroke make excessive profiteering impossible and undermine the black market dealing which tempted men to illicit distilling.

Macquarie saw that licensed distilling in the colony to get rid of surplus grain in good years was a desirable reform, but was unable to persuade Whitehall to agree to it. This final blow to illicit distilling was not delivered until the governorship of Sir Thomas Brisbane. However well conceived Macquarie's spirit policy was he unfortunately blunted its advantages by granting to Alexander Riley, Garnham Blaxcell and Darcy Wentworth an exclusive privilege of importing rum. This monopoly, which proved in practice much less exclusive than the three partners had imagined, was their sole return for constructing the Sydney hospital. Signed in November 1810 the contract permitted the contractors to import 45,000 gallons of spirits over a period of three years. This was increased in 1812 to 55,000 gallons over four years, and finally to 60,000. However, Macquarie not only permitted vessels to land spirits in order to pay their provisioning expenses, he considered the Government had a perfect right to purchase and import large quantities of liquor outside the privilege.

35. H.R.A. I, vii, 250.

This was then issued to the military and civil officers and government employees just as in King's day, as a perquisite of their position. Spirits were also landed against regulations in Hobart and Port Dalrymple. Sydney got its mammoth hospital but the undertaking helped to ruin Blaxcell, and the Sydney market was in a state of confusion until the monopoly ended in January 1815. From then on Macquarie pursued a liberal spirit policy but with higher duties than he had imposed in 1810.³⁶

iii

The third important influence on the activities of the Sydney traders was the currency problem.³⁷ We have already seen how in the 1790s the lack of specie in the colony gave a great advantage to the officers of the New South Wales Corps because of their access to Paymaster's bills on their London agents. We have seen that the colony's only other source of readily negotiated sterling bills were those issued by the Governor as payments for meat, grain and other goods and services. Until the colony had its own mint these two sources of sterling retained their importance. For transactions within the colony men were driven to use Store receipts - which were almost as good as Treasury bills for at regular intervals they were called in and consolidated into Treasury bills - and also

36. The contractors anguished correspondence with the Governor are Bonwick Transcripts (hereafter B.T.), Series I, Box 13, Mitchell Library. The contract is at H.R.A. I, vii, 401. The statement by Fitzpatrick that the rum ring was so powerful Macquarie had to negotiate with it to get a hospital is patently absurd, Brian Fitzpatrick, British Imperialism and Australia, 1783-1833, p. 96.

37. Cf. S.J. Butlin, The Foundation of the Australian Monetary System 1788-1851, Melbourne 1953, (hereafter Butlin (Foundation)), passim.

grain, spirits and, most dubious of all, notes-of-hand or I.O.U.s which circulated about the colony as its small change. Copper was sent to the colony, overvalued to prevent its export, and Macquarie imported Spanish dollars, but though well intentioned, these measures were inadequate.

The commonest medium of exchange for small transactions remained the promissary note, usually drawn for small and irregular amounts. These were sometimes drawn by the issuer to serve a specific need, sometimes issued by entrepreneurs, "petty bankers" as they have been called, as a business in itself. All these notes, sometimes printed, sometimes a mere scrawl in indifferent penmanship, constituted "currency", a local medium of exchange of limited acceptability, discounted against sterling at a rate of from twenty five per cent to fifty per cent, and occasionally even higher. King, Bligh and Macquarie were all opposed to this 'double standard', and were appalled at the casual way in which illiterate convicts and ex-convicts, financially men of straw, were able to get their promissary notes into circulation. King prohibited the practice of charging a high discount on currency when converting to sterling, but to no effect. Bligh complained that drawers of currency notes charged a discount as high as forty per cent when redeeming their own notes - which was indeed the usual practice - and issued further prohibitions. Indeed he claimed to have abolished currency altogether - an idle boast, and when Macquarie took command he found:

The credit of the Colony was also very low... on account of the base paper Currency, which was then the only circulating Medium, the lowest and most profligate persons issuing their Notes of Hand in Payment of Goods purchased without having the means of redeeming them when due. This terrified Traders and prevented them from having any regular intercourse with Port Jackson.³⁸

38. Macquarie to Bathurst, 27 Jul 1822, H.R.A. I, x, 675-6.

Macquarie in 1822 had a case to plead and wished to paint a picture of the colony in 1810 which would appear as sombre as possible. British and Indian merchants seem to have been far from terrified by the chaos of the currency, judging by their readiness to flood the Sydney market with their merchandise. They had, indeed, little or no direct contact with the currency situation. As long as their importer clients succeeded in mobilising enough Treasury bills to satisfy the overseas suppliers, the latter could disregard the wierd spectacle presented by the Sydney currency. The local traders, bearing the brunt of the situation, could not be so complacent, although they did accept it as inevitable. Indeed they contributed to it by issuing large numbers of their own notes. Some resolute traders refused to accept any notes but their own. For example, when emancipist trader Thomas Abbott bought goods from Simeon Lord's manufactory in December 1811, Lord and his partner Francis Williams would only accept their own notes and insisted on discounting them at twenty per cent against sterling. Later Abbott quarrelled with Lord who, he alleged, had tricked him into buying the brig Active for £200 more than it was worth. In retaliation he threatened to collect large numbers of Lord's notes and insist on Lord's redeeming them in sterling. In the subsequent court action between Abbott's executors and Lord and Williams, Robert Campbell Jnr. testified that twenty per cent discount was normal practice.³⁹

39. Lord and Williams v Executors of Thomas Abbott, Court of Civil Jurisdiction Proceedings, Vol.10, N.S.W. Archives 1108. Similarly in 1812 Thomas Boulton brought an action to recover £350 for current notes of Lord's to that amount but agreed in court to give a discount of 33 per cent for sterling and accept only £233 6s 8d. Even sterling bills could sometimes bear a discount against specie. When Robert Cable sued Lord for redemption of £140 currency bills and £37 sterling bills he agreed to a discount of 33 per cent for the currency and 15 1/6 per cent on the sterling, op. cit. causes 235, 236. All currency would be discounted, of course, because all traders issuing notes would do so with the discount in mind.

Discounting notes against sterling and charging as high a price as possible for their goods were obvious ways in which traders could protect themselves against the inevitable bad debts.

Macquarie was very concerned about the currency situation but his monetary policy did little to change it. As early as 1810 he suggested founding a bank modelled on that existing at Cape Town, but this suggestion was decisively rejected by the home government. Instead Lord Liverpool authorised the dispatch of £10,000 worth of Spanish dollars from India to help relieve the lack of specie.⁴⁰ Macquarie forbade the export of the dollars, which he mutilated and overvalued, but unfortunately did not issue a general prohibition on the export of other gold, silver and copper coins until 1815. The 'holey dollars', as they were known, did not take the place of currency. There were too few of them and they were much too valuable. Since they could be used to purchase Treasury or other sterling bills the bar against their export did not diminish their value. Their usefulness to traders was only impaired by Macquarie's refusing to issue Treasury bills in exchange for dollars until as late as July 1815 in spite of the complaints of ships' captains and local merchants.

Meanwhile some Sydney traders had resolved to tackle the currency problem in their own way - by a kind of 'combined petty banking'. On 18 October 1813 seventeen men met at the house of James Chisholm in George Street and founded the Commercial Society of Sydney. The men were described by Governor Macquarie as "divers victuallers, publicans and

40. H.R.A. I, iii, 242, 265, 343, 365.

others", and by a more sympathetic observer, W.C. Wentworth, as belonging to "the richer class inhabitants". In fact they were a representative selection of Sydney traders and included both free settlers and emancipists: James Chisholm, Thomas Rushton (chairman), Robert Jenkins, David Bevan, Samuel Terry, James Wilshire, Samuel Foster, Henry Marr, John Reddington, John Laurie, Joshua Palmer, Joseph Inch, Absalom West, Thomas Rose, Lawrence Butler, James Underwood and Charles Tompson. Tompson was appointed secretary and Bevan, a well known emancipist auctioneer, was elected president with Robert Jenkins as vice-president.⁴¹ The meeting first considered "A draft of certain resolutions ... for the purpose of obtaining an improved currency". The text of this has not survived but it apparently suggested issuing promissary notes payable in three years and was rejected as "inimical to the Trading Interest of this Colony" as also of the farmers and labourers, and likely to repress industry and foster monopoly. Instead the meeting decided that each member present should issue £100 worth of promissary notes - £40 worth at 2/6, £40 worth at 5/-

41. For the Commercial Society's operations, cf. S.J. Butlin (Foundation). Butlin could not identify the members but the minutes of the first meeting have since been discovered, cf. Chisholm Notebook, Mitchell MSS A4047. Now that we know the names it is clear that Wentworth's description was more accurate than Macquarie's contemptuous remark would suggest. Chisholm was a former N.C.O. in the N.S.W. Corps turned successful trader; Underwood was the emancipist ship-builder and sealing master; Wilshire was an ex-official but long the Colony's leading tanner; Jenkins was a respectable trader-immigrant; Terry was later dubbed "the Rothschild of Botany Bay"; Rushton was, or had been a brewer; Inch was among other things a boat owner. All were prominent members of the trading community, although not all were of the first rank, and some - Terry for example - were at an early stage of their careers. Minutes are printed at Hainsworth, (Builders) pp. 56-57.

and £20 worth at 10/- "payable on Demand in Currency, or in Sterling at twenty five percent discount". The meeting further decided to call themselves the Commercial Society of Sydney, to meet to discuss "trade and commerce in General" on the first of each month.

No record survives of the discussions which took place at the meeting, but only of the decisions actually taken which seem harmless enough but too puny to have had any influence on the colony's currency problems. It may be that the meeting had more sinister discussions of which it was careful to leave no trace but this seems unlikely. If we accept the records at their face value, however, Macquarie seems to have over-reacted to the news that such a meeting had been held. On 27 November 1813 he issued a proclamation in which he accused the participants of seeking to alter the existing rate of exchange between Government bills and currency, of agreeing not to accept any notes, no matter how respectable, at a lower discount rate than their own bills, and of planning to otherwise defy existing regulations to the injury of their fellow colonists. (None of these accusations are supported by the surviving records of the meeting.) The proclamations forbade unlicensed assemblies of more than six people - an order which appears the product of hysteria rather than common sense - and outlawed any combination to refuse to accept promissary notes, or to influence the discount rate between sterling bills and currency. The Society, therefore, could not meet but its members could, and did issue their own notes. Moreover as individuals they could insist on whatever discount the market would bear, and as individuals could refuse to accept certain promissary notes.

The proclamation's monetary provisions seem of little consequence, probably it was the menace of "combination", that dread word, which chiefly moved the Governor to action. However, on December 11 the Governor issued a second proclamation declaring illegal promissary notes which directly or indirectly stated the discount rate of redemption.⁴² The Commercial Society's bills continued to circulate without reference to discount until 1816 when Macquarie prohibited the further issuance of currency notes. The Commercial Society may have been a "combination" but there seems to be no evidence - save Macquarie's unsupported charges - that its activities would have done any harm. As for the double standard between sterling and currency, the Governor had encouraged it. Although he later blamed Deputy Judge Advocate Ellis Bent for accepting the double standard in court, many of his own orders on the Police Fund were in currency as were Surveyor Meehan's. Wentworth was allowed to take tolls in currency. Indeed when Deputy Judge Advocate Wylde arrived and began to apply the regulations against currency with inflexible vigour there was a financial crisis.

This in turn led to the founding of the Bank of New South Wales. This was a further attempt by the trading community to bring order to the monetary system of the colony, and while initially its success in this may have been negligible, it did provide the traders with useful services. It is the fashion to minimise Macquarie's contribution but he had always favoured the project. Once Wylde had found an ingenious loophole by

42. For Macquarie's proclamations cf. B.T. Series I, Box 13, 680-689, Mitchell Library.

which Macquarie could give the bank a charter which would give the directors "limited liability", even though forbidden to found a bank himself, he acted with dispatch. He also conducted a skilful rearguard defense against Whitehall during the Bank's vulnerable infancy. The fourteen men who met in Wylde's room to discuss the project included such prominent traders as Robert Campbell, Alexander Riley, Simeon Lord, Darcy Wentworth, Charles Hook and Richard Jones. The only member of the Sydney Commercial Society of 1813 who was present was Robert Jenkins who was elected a director of the new institution. Samuel Terry was associated with the Bank in its infancy, however and he and James Chisholm became directors in 1828.⁴³

Professor Butlin has shown that the Bank had little effect on the currency situation for several years but Macquarie's encouragement of its founders was certainly the most positive and, in the long term, valuable policy which any governor had pursued toward the colony's monetary situation to that time. The Bank provided a number of services required by the mercantile community. It made loans, permitted overdrafts (though officially forbidden to do so), and discounted bills of exchange, promissary notes and other securities. During 1817 it discounted bills for £12,913; in 1818 (the first full year) for £81,673; in 1819 for £107,257 and in 1820, in spite of the "run" of that year, for £98,498.⁴⁴

43. I am indebted to Patricia Quinn, Archivist of the Bank of New South Wales for information about directors and the composition of committees. Terry was elected a director in 1822 but was forced out on the ground that he was an emancipist. He had been a member of the committee which in 1821 investigated the defalcations of Francis Williams, the Bank's first treasurer.

44. Cf. S.J. Butlin (Foundation), Chapter Five passim.

The Bank also accepted as deposits Store receipts which were consolidated into Treasury bills, which were in turn sold to those wanting bills payable in London. The institution beside being a happy example of beneficial cooperation between governor and trading community, demonstrated the degree to which commerce had developed and the distance the colony had come from its prison farm beginnings. We must now examine how that commercial community, while wrestling with these internal problems, had sought to adventure to the Pacific, Asia, Africa and, of course, to London.

Chapter Four: The Quest for Merchandise.

Fancy China, Calcutta and London on my hands ...!

Alexander Riley, 1814.

Although as we saw in Chapter One the trading history of the Hunter period is likely to remain cloudy in much of its detail because of the paucity of records, it is clear that trade in Sydney was becoming increasingly competitive as that governorship drew to a close. After King became governor in 1800 this competition became intense, prices were down and stocks were often abundant. This changed situation in no way dampened the ardour of Sydney's wholesale traders to acquire more goods. Rather it made the traders all the more eager to establish connections with the sources of their merchandise. Instead of simply vying with their rivals for the custom of visiting captains, they wished to be the exclusive recipients of cargoes of merchandise whose quantity, quality and type they had pre-determined at source.

The first essays at this difficult but potentially rewarding venture, made by the officers in the 1790s, have been described. The officers sent Captain Raven twice to the Cape on charter with precise orders for both merchandise and livestock. They also established a Calcutta connection through their agent there, Augustus Beyer. This initial enterprise was extended during the first twenty years of the nineteenth century to Canton, to London and even briefly, although unsuccessfully because of the Napoleonic war, to Mauritius. At the same time the connection with India became of great significance to several of the Sydney traders,

while others tried and failed to establish that connection. The Cape connection, founded by the officers, proved difficult to develop, partly because of the East India Company's monopoly and the Governors' vigilance in protecting it. The same could be said of the Canton connection - in spite of some isolated successes - but whether successful or not the efforts of the Sydney trading community to forge overseas links are of great interest to the entrepreneurial historian. They tell us much about the traders and their problems as well as providing a more detailed picture of the foundation years of Australian overseas trade.

The connection with India was first sought by Calcutta merchants at a time when no Sydney traders existed. In March 1791 one Andrew Waugh wrote to the Home Office from Edinburgh strongly advocating that the new colony should be supplied from Calcutta rather than from London as prices were cheaper, freights lower and the voyage much shorter.¹ Mr Waugh's views had already been presented to the government by others, however. In 1790 Calcutta merchants, Messrs Lambert, Ross and Biddulph, learning of the loss of the Guardian storeship and of the perils of starvation with which the colonists were beset, petitioned Lord Cornwallis, Governor of Bengal, to allow them to send a cargo to Sydney. He consented to this and these merchants' strong inclination to continue to supply Port Jackson was then expressed in a letter to Lord Sydney. Although the merchants were offering to supply the government at Port Jackson rather than individuals there, they were already looking forward to the day when Port

1. H.R.N.S.W. i (Part 2), 477-479. Waugh's connection with India is not clear but he was able to quote Calcutta prices to support his argument.

Jackson traders would exist to do profitable business with Calcutta.

Their letter significantly concludes:

It may be also hoped that from ... opening a communication between the capital of the British settlements in the eastern world and this rising establishment many important commercial advantages will ensue which will greatly facilitate the prosperity of the new colony by a ready intercourse with this extensive and opulent country.²

This prospect had naturally no attractions for the directors of the East India Company. Rather it was what they had all along predicted would be the result of founding a settlement in Australia, and they probably saw their ultimate destiny as sealed once their wishes had been overruled. However much the Company might wish to postpone the loss of its monopoly, however much it might seek to discourage or circumscribe the commercial aspirations of the infant colony, the Company was afflicted by an Achilles heel. It might appear that the trade which it would find easiest to hamper or prevent altogether would be trade between Calcutta or Madras and Sydney. Such an appearance would be deceptive. As one historian has written, it was the Company's policy to leave most of the carrying trade in the East in private hands, "a policy which was thought very creditable to it as an institution but which was perhaps less creditable to its servants as individuals".³

The only trade in which the Company was really interested was tea from China, and significantly it defended this citadel of its monopoly stoutly for years after other less important outworks of its monopoly had been captured. In consequence the eastern carrying trade was carried on

2. Messrs Lambert, Ross & Biddulph to Lord Sydney, 19 Aug 1790, H.R.A. I, i, 222.

3. C. Northcote Parkinson, Trade in the Eastern Seas 1793-1813, London 1937, p. 88.

by private merchants, chiefly resident at Calcutta or Madras, who owned and operated ships which were licensed to trade within the monopoly area but which were not permitted to leave it.⁴ The 'country trade', as it was known, was not a numerous body and fluctuated in composition. The Company allowed in about three new traders a year, and there was a tendency for men to come out from England for a few years and then retire to a more salubrious if less profitable climate.⁵ It was among the country traders that we find men who expected to establish close and profitable relations with Sydney. Some firms were more permanent institutions than others, although even in them their partners fluctuated from decade to decade. Among these more permanent houses were Campbell & Company, of whom we have heard, and the firms of Fairlie and of Palmer. All of these semi-permanent firms maintained connections at Canton, and had agents in London.⁶

In 1797 Messrs Campbell's sent a speculative cargo in the ship Sydney Cove but she was cast away on Preservation Island in Bass Strait. In 1798 Robert Campbell, a junior partner in the firm, brought the Hunter to Sydney with a valuable cargo much of which he sold to the officers for Paymaster's bills. On his return to Calcutta the partners decided that as "the total

4. Calcutta was the chief centre, although there were a few traders at Bombay. However, Bombay was not an important centre of European commerce, it was simply the Company's naval base for the Malabar coast. Madras had a handful of merchant houses but no harbour and any ship which hove to between October and December automatically lost its insurance, C. Northcote Parkinson, op. cit.

5. Steven (Campbell), Chapter One passim.

6. Among these London agents, of whom we hear from time to time in this work were Plummer & Co., Alexander Birnie & Co., and William Wilson.

want of any medium or profitable channel of carrying back to Bengal the produce of our export cargoes to New Holland increased our capital gradually in that country to a large amount" Robert should return to Sydney to establish there a permanent branch of the firm.⁷ Before he could arrive in Sydney to make this large stride toward developing a vigorous Calcutta-Sydney trade, a Sydney adventurer had made a determined and highly illegal attempt to profit from such a trade himself.

In the year 1800 a ship the Hunter appeared at the mouth of the Hooghly River below Calcutta. Captained by one William Hingston, the ship was a former prize-of-war sent into Port Jackson and sold.⁸ Renamed in honour of the Governor of New South Wales the Hunter brought a cargo of New Zealand spars and many have carried some seal skins and whale oil also. East India Company officials could not interfere with the vessel since the arrival of a prize of war was no breach of their monopoly, so long as the ship was sold along with the cargo. However, when it was discovered that Hingston, far from selling the vessel, was actually loading spirits for Sydney officialdom was aroused, and the vessel was promptly seized.⁹ However, with proceedings now begun against him, Hingston revealed that his voyage to India was made with the "immediate approbation" of Governor Hunter

7. Steven (Campbell), pp. 23-24.

8. She was the former Bethlehem, captured in 1799 and sent in for sale. Readers may find useful the list of vessels frequently referred to in this work at Appendix C.

9. The captain was also arrested and richly deserved to be in the eyes of his captors for it was established to the satisfaction of the Marquis of Wellesley that no less than twenty three convicts had been brought to India on the Hunter. The Company had no desire for English settlers in India and if it had the refuse of Botany would not have been welcome.

as the colony badly needed supplies, which the Hunter was expected to bring. In view of this claim the Indian Government freed Hingston and his ship, and issued a permit for the export of all unprohibited articles. In the event Hingston by some misconduct in his business dealings was unable to retain his credit with Calcutta merchants and seems to have sold the ship and disappeared with the proceeds.

Meanwhile the authorities at Calcutta sent a reproachful letter to the Governor, (King had replaced Hunter by the time it reached Sydney) asking him to prevent the movement of convicts to India, and the sailing of unlicensed vessels to Indian ports, and setting forth the story of the Hunter in the course of the letter.¹⁰ In reply King stated that he would certainly prevent any illegal intercourse with India. He had questioned the owner of Hingston's ship who had given affidavit that Hingston's story was a fabrication and that Hingston had been instructed merely to go to New Zealand to obtain a cargo of spars, to carry this to Calcutta and there to sell ship and cargo as a prize.¹¹ The significance of the story of the Hunter lies in this: the owner lied and King was deceived. It is unlikely that Governor Hunter had approved a return voyage, but that was certainly the intention of her owner who was Simeon Lord. In fact there seem to have been three co-partners, Lord, Hingston himself and Aaron Davies, an associate of Lord's who was long a trader at Norfolk Island. These three came to an agreement in October 1799 by which Lord and Davies, who had just

10. Governor General-in-Council to Governor King, 18 Dec 1800, H.R.N.S.W. iv, 371-373.

11. King to Marquis Wellesley, 2 Oct 1801, H.R.N.S.W. iv, 586.

bought the prize and re-named her Hunter, appointed Hingston as her master. Lord and Davies may have had their reservations about Hingston for they drew up an agreement with one James Puckey to go on the voyage with the prime task of watching over their interests.¹² The draft ship's articles which survives in the Deputy Judge Advocates papers shows clearly that the Hunter was to return to Sydney, and that the crew were not to be paid off until she did.¹³ Thus as early as the spring of 1799 Simeon Lord an emancipist trader, had bought a ship and conceived a scheme by which an illicit venture might have been carried out under the noses of the East India Company's officers and in spite of their determination to prevent such ventures. He had sought the goal which from time to time he and other Sydney traders would pursue: that of bringing Indian merchandise which he had specified in a vessel which he owned or at least controlled. Unfortunately for such dreams Governor King was on the alert. He may have believed Lord's mendacious account of the Hunter's intended movements, but clearly no blatantly illicit trading was going to be possible.¹⁴

Happily there was another possibility. Marquis Wellesley's warning letter to Governor King was brought to Sydney on the ship Hunter (not to

12. Puckey was a former Tahitian missionary who had come to New South Wales with Rowland Hassall in 1799 and had been appointed Superintendent of Artificers at Parramatta. For Lord-Davies-Puckey agreement see rough draft in S.C.P. Bundle 30 item 4, N.S.W. Archives 1113.

13. The articles imply that whale oil and seal skins were on board. loc. cit., item 3.

14. For a later Lord version of the Hunter affair, mendacious but informative, see Lord to Robert Campbell in 1807 in Appeals Court Papers, Lord, Kable & Underwood v Harris & Maclaren, N.S.W. Archives 4/6606, p. 531.

be confused with Lord's Hunter) which also brought Robert Campbell as a permanent settler to New South Wales. Campbell's great advantage in being able to import India cargoes in his firm's country trade ships was immediately obvious to his local competitors. In the future Sydney traders would seek to be fully fledged importers by alliances with Calcutta traders or licensed master mariners. Alliances of this type might seem simple but in the period of Governors King and Bligh there were more schemes projected than brought to fruition.

One of the most ambitious schemes conceived by a Sydney trader would have solved the problem not merely of an Indian connection but of a China connection as well. Late in 1806 John Macarthur devised a plan for a triangular trade between Sydney, Canton and Calcutta which would also have involved regular calls at the Pacific Islands, more especially the Fijian and Tongan groups. The plan says more for Macarthur's vision and optimism than it does for his grasp of the practical difficulties which were likely to thwart it. The plan came to nothing but it should not be ignored, for an entrepreneur's dreams can sometimes be as interesting and indeed significant as the more humdrum reality of his day-to-day transactions. Certainly Macarthur's plan was prophetic even if it was too early to bear fruit in 1807.

Walter Stevenson Davidson, Macarthur's pastoral partner was related to a Calcutta merchant. Macarthur, Garnham Blaxcell and Thomas Jamison had come to an arrangement with Captain William Campbell of the country ship privateer Harrington by which he was to bring a China cargo to be sold exclusively to them.¹⁵ The Harrington was to call at Fiji for

15. See below. Dr. Steven states that Macarthur had taken Davidson under his wing because the latter's cousin was a partner in the Calcutta house of Hogue, Davidson & Co. but offers no evidence. If true it is surprising that Macarthur never sought to exploit this connection more directly and explicitly. (Steven in Abbott and Nairn (Growth) p. 125.)

sandalwood and it was arranged that two Macarthur vessels would rendezvous there with her and that the Harrington would carry Macarthur sandalwood to China on freight along with its own. Davidson would travel on the Harrington to China, would sell the wood there and with the proceeds and with some other funds entrusted to him by Macarthur and Jamison he would sail for Calcutta and there establish a connection with a country trader recommended by his cousin.¹⁶ He and this merchant house were together to buy a ship and cargo, the house taking a quarter but registering the vessel in its name as a 'country ship'. This vessel, of about 200 tons, would then bring Davidson and a carefully chosen cargo back to Sydney. The vessel would be freighted to China with a cargo collected by Macarthur (presumably sandalwood and perhaps pearl shell or seal skins). With the proceeds of their sale at Canton a China cargo would be purchased for the Sydney market, the Calcutta house once more taking a quarter share in order to maintain the fiction that the scheme was a regular 'country trade' operation. Once the vessel had unloaded at Sydney she would be sent back to Canton with another cargo of sandalwood, skins etc. but this time the proceeds would be invested in a cargo for Calcutta according to the directions of the Calcutta firm. Once at Calcutta the ship (or one would suppose a replacement!) would be loaded for Sydney and the whole complex cycle would begin again.

16. Davidson would have been an illegal interloper at Canton but this would have been obscured by his arrival on a vessel which had a legal right to trade there. In India there would have been no problem in view of his excellent family connections, and of course he would arrive at Calcutta with funds rather than with goods. ~~For transcript of Davidson's instructions see Hainsworth (Builders), pp. 35-37.~~

It is difficult to estimate how far such a scheme would have been consistent with the letter of the East India Company's regulations. Certainly it would have conflicted with their intent. In December 1806 John Macarthur may have felt that there was no need to fear the reaction of Governor Bligh to such quasi-legal initiative. A year later there was no ground for such optimism. In any event the Fijian rendezvous failed and the Harrington carried no Macarthur wood to Canton. His funds thus curtailed Davidson preferred to spend what funds he had on China goods and return with them to Sydney on board the Harrington.¹⁷ Macarthur's scheme in its broader aspects could not have succeeded in that period. It was not just that Macarthur and his associates did not have the liquid capital to sustain enterprise on such a scale. The colony of New South Wales would have been an inadequate market for enterprise on such a scale. This scheme was too rigid and needed a rapid turnover of goods, followed by fast passages between ports so as to take advantage of temporary shortages and not be caught in the doldrums of temporary glut. These difficulties which always haunted the Sydney market in this period will be considered in the next chapter. Suffice to say that in 1806 Macarthur's scheme was prophetic but premature.

The story of the triangular scheme is significant because of the light it throws on the aspirations and the prophetic vision of the Sydney

17. For Macarthur and Blaxcell's instructions to Davidson which set out the plan in great detail, dated 12 Jan 1807 see the copy in Appeals Court Papers, Campbell v Macarthur 1822, N.S.W. Archives K37, 4-7, and an edited transcript in Hainsworth (Builders) pp. 35-37.

traders. The story of the Harrington investment has a more practical significance. In December 1806 Campbell had agreed with Macarthur and Blaxcell that he should go to Fiji for sandalwood and then bring down a Canton cargo, prime cost about £5,000, which the partners would take off his hands at an advance of 75 per cent. Campbell wanted a guarantee of 100 per cent but the partners stood firm. In return for selling at this comparatively modest advance, and stocking his ship according to a list drawn up by the Sydney partners, Campbell was to have the assistance of the brig Elizabeth and the schooner Venus, acting as tenders at Fiji, and the assistance as interpreter of the ex-missionary William Shelley, who was now in Macarthur's employ.¹⁸ The plan misfired. The Elizabeth missed the initial rendezvous at Tahiti, the Harrington got sandalwood without assistance - though not a full cargo - and then left for Canton. The Sydney partners had failed to fulfil their part of the bargain, although through no fault of their own. There was, therefore, no necessity for Campbell to keep to his arrangement with them. He sold his sandalwood for £4,000 which he invested in China goods for the Sydney market. The brig also carried on freight a smaller consignment purchased by Davidson as we have seen.

It is quite likely that Campbell intended to refuse to sell to Macarthur and Blaxcell and would probably have sold the cargo on account of himself and Chase, Chinnery & Co. of Madras. If so the goods would have been sold by Simeon Lord for he was the Sydney agent of Parry's of

18. For some sandalwood-cum-maritime aspects of this arrangement see Chapter Nine below.

Madras who had replaced Chase, Chinnery & Co. (now bankrupt) as part-owners of the brig.¹⁹

On coming through Sydney heads, however, the Harrington was boarded by Macarthur who told Campbell of the overthrow of Bligh and his own dominant position in the Government. Campbell then sold his cargo to Macarthur, Blaxcell and Jamison at the agreed 75 per cent advance, in spite of the lack of any legal necessity to do so, and in spite of the fact that none of the three men had funds with which to reimburse him until they had sold it to others! Campbell's claim years later that he had sold under compulsion is certainly convincing for it is difficult otherwise to explain why he sold to them at all.²⁰ Had Bligh been governor still the cargo would probably have been sold by Simeon Lord on commission for the new Madras owners and to this Bligh could have had no legitimate objection.²¹

19. *Graham v Campbell*, Court of Civil Jurisdiction, Proceedings, Vol. 5, N.S.W. Archives 1102.

20. There was a case a decade later which in some respects parallels the situation here described. Samuel Terry, the emancipist trader destined to earn the title of "the Rothschild of Botany Bay", Robert Campbell Jnr, nephew of Campbell of the Wharf, Joseph Underwood and Thomas Winder agreed with a Captain Thomas Ritchie that he should bring a cargo from Calcutta on commission and freight. Ritchie brought a cargo worth at Sydney prices, it was alleged, £18,000 above prime cost in India. However bad weather and a disabled ship drove Ritchie into Hobart where he had to unload ship. He therefore unilaterally abandoned the agreement and sold to the local agents of Messrs Jones & Riley of Sydney. Terry and partners sued but in vain. Appeals Court Papers, Terry & Ors. v Ritchie, N.S.W. Archives 4/6604 (for result) and 4/6609.

21. Bligh's subsequent statement that had he had the authority still he would have sent the brig away was made at a time when he saw Campbell and Macarthur as close associates rather than exploiter and victim, of course, H.R.N.S.W. vi, 671-672.

In view of this it is not unreasonable to conclude that the impending return of the Harrington may have influenced Macarthur to accomplish the Governor's overthrow. Certainly Macarthur, Blaxcell and Jamison, were three of the six most important leaders of the rebellion, and all three had, through the Harrington investment, a strong interest in removing both Bligh and his Naval Officer, Robert Campbell. However, for Macarthur and Jamison this was to be the last Indian or China speculation, and though it may have seemed a triumph at the time it was to lead in later years to an expensive and wearisome lawsuit for Macarthur. In September 1818 Macarthur rejected an offer from Davidson, now resident at Macao, to send a cargo down. Not even Davidson could tempt him to engage in any adventure and he exclaimed wearily: "would to God I had always entertained the same sentiments!".²²

In the days of King and Bligh such disillusionment would have seemed unthinkable, however. Moreover Macarthur was not the only trader with a broad if frustrated vision. In April 1807 Simeon Lord associated himself with Captain David Dalrymple of the ship General Wellesley, and signed an agreement which in many ways resembled the plan devised by Macarthur a few months earlier. The General Wellesley was a 'country ship', owned chiefly by Parrys of Madras, although Dalrymple himself claimed to have an interest and had power-of-attorney for a man who owned a third share. This third share Dalrymple sold to Lord for £2,500, to the latter's subsequent regret for he was never able later to establish his interest in the ship or to control her movements. Dalrymple in fact was a rogue and unknown to Lord

22. Macarthur Papers, Vol. I, pp. 22 ff, Mitchell MSS A2897. For the sales of the Harrington investment see below Chapter Five.

was operating the ship as if she was his own and without ever allowing Parrys to gain control of their own property.²³

Believing in Dalrymple's good faith Lord agreed that the General Wellesley should make a voyage to the "East Indies", that on route she should visit certain islands indicated by Lord to gather a cargo of beche-la-mer, shark fins, etc and also collect a quantity of "copper ore or sand") from another island known to Lord. That these commodities having been sold in the "East Indies" (probably Calcutta was intended) the ship would return to Sydney with a cargo specified by Lord, which the latter would sell on behalf of all the owners. Should Dalrymple on reaching India find it necessary to sell the ship, and should Parrys decline to take a third share in a ship bought to replace her, then Lord was to have a 50 per cent interest in the new vessel.

Meanwhile Lord would collect a cargo of sandalwood, beche-la-mer, shark fins, or other merchandise suitable for the Canton market for any ship Dalrymple might bring or send to Sydney, and consign it to China. The cargo there sold the proceeds would be invested in China goods for Calcutta or Madras. The proceeds of this voyage would then be invested in a cargo for Sydney, and when that venture was complete the concern would be wound up unless Lord and Dalrymple should decide to protract it.²⁴

23. Lord's purchase led to a great struggle in 1808 over the ship when she turned up at Fiji in distress and through her supercargo came under the partial control of Macarthur and Blaxcell, cf. S.C.P. Bundle 29, item 3, Bundle 10, item 25, Bundle 15, item 10, N.S.W. Archives 1152, 1165, 1142 respectively, and Court of Criminal Jurisdiction, Crown v Campbell, Blaxcell and Fisk, N.S.W. Archives 1150.

24. The agreement, which was witnessed by John and Gregory Blaxland is at S.C.P. Bundle 10 item 25, N.S.W. Archives 1152.

There is some evidence that Dalrymple did make a Pacific voyage tracing a route suggested by Lord, but he certainly made no serious attempt to carry out the agreement with Lord, and would certainly have been deprived of command of the vessel had it returned to India.²⁵ Simeon Lord, therefore, was less fortunate than Macarthur, who had at least managed to gain control of the Harrington investment. Lord grew wealthy selling cargoes and acting as captain's agent for ships which called speculatively but he was usually unable to achieve his ultimate aim: to control what ships would come and what they would contain.

In 1805 Lord became the partner of an American, Peter Chase, who took his ship Criterion to Fiji where with the help of Lord's employees he obtained one of the most valuable cargoes of sandalwood ever landed at Canton. However, when he returned to Sydney with a valuable China cargo bought with the proceeds Governor King refused to allow Chase to land any of it. He even contemplated seizing ship and cargo but shrank from the lifetime of litigation which might ensue. In the event the Criterion took the cargo back to America where it may well have sold as profitably as it would in Sydney for Lord's ultimate share in this venture was more than \$US30,000. Lord did join forces with Campbell in the Harrington in 1808 but with his usual luck the ink was hardly dry on the agreement when the brig was pirated by escaping convicts.

The previous year Lord had sought to burst through the regulations which frustrated his visions by yet another alliance with an American - the agreement being signed in secret. The new ally was Nathaniel Cogswell,

25. For Lord's further and luckless association with the General Wellesley, see Chapter Nine below.

master and owner of the Hannah and Sally, a vessel which he seems to have sold to Kable and Underwood secretly while in Sydney. The vessel was loaded with seal skins and sent to Fiji for a cargo of sandalwood which it was to take to China. There Cogswell was to invest the proceeds of the sale of the vessel's cargo in the charter or purchase of another vessel and was to go on a tramping voyage about the Indies, periodically sending to or bringing to Sydney merchandise bought on his and Lord's joint account. The venture was a total failure. Like Campbell with Macarthur, Cogswell missed the rendezvous with Lord & Co.'s King George at Fiji, and dreading the formidable reefs which ringed it, sailed on to Canton. There he sold the cargo of skins at a disastrous price - only 511 dollars for 20,000 skins - and sold the Hannah and Sally to himself and almost certainly Lord, and invested the 511 dollars in tea for the London market. The vessel and cargo were seized as contraband by East India Company watch dogs at Cape Town, and Lord and Cogswell's schemes had shipwrecked on those two fearsome reefs: inadequate liquid capital, and the East India Company monopoly.²⁶

Lord made another and more successful attempt to form an Indian connection in the first years of the Macquarie period and might well have succeeded but for the fact that he devised his last ingenious scheme just

26. One could add the evident difficulty of keeping rendezvous at Fiji. Lord v Kable & Underwood, Court of Civil Jurisdiction, Proceedings Vol. 5 N.S.W. Archives, 1102; Appeals Court Papers, Kable & Underwood v Lord, 1809, 1810, N.S.W. Archives 4/6609; for Lord-Cogswell agreement see also Hainsworth (Builders), pp. 82-84; S.C.P. Bundle 16, 1142. Lord's desperate desire to establish a connection with Canton led him to send skins there frequently to the great distress of his London brokers, see Chapter Nine below.

at a time when the colony was about to enter a considerable depression and his own concerns were heavily embarrassed. By the time the depression had eased Lord had become heavily engaged in the manufacturing enterprises which were to preoccupy him for the last twenty five years of his life.²⁷ Lord's last try was as contractor to the New South Wales government. He had seen how Robert Campbell, his great commercial competitor, had used his invaluable position as the outlying branch of a Calcutta house. During the King period alone Campbell had been paid more than £30,000 in Treasury bills by Government for bringing cattle and foodstuffs from India on contract. In 1810 Campbell was compelled to sail for England to testify on behalf of Bligh and his party and the way was clear for others. The role of the trader as colony builder through the fulfilling of public contracts is explored in some detail in Chapter Twelve below. Here it is only necessary to illustrate how a trader could use the role of contractor as a loophole through which he could import an Indian cargo to his personal profit.

In 1810 Simeon Lord, first in conjunction with a visitor from Bengal, J.C. Burton, and then with his regular partner Francis Williams, signed two contracts with Macquarie to bring wheat, sugar and spirits from Calcutta. In return Lord and Williams were to be allowed to import 17,500 gallons of spirits. In June 1811 Williams sailed for Bengal on a ship which he and Lord had chartered,²⁸ and which carried a cargo of oil which

27. For depression see Chapter Five below; for Lord as manufacturer see Chapter Eleven below.

28. The US ship Aurora, Captain Owen Folger Smith of which in a sense Lord was a part owner since Smith had given him a bond on the vessel to secure a debt of £1400. Cf. Register of Assignments (hereafter R. of A.) V, Nos. 455-7, p. 32, Mitchell MSS (Photocopy) A3611.

they owned. (Williams' voyage was rendered necessary by the loss at sea of vessels carrying some of the goods they had contracted to supply.)

A matter of weeks after his departure the Ruby, Captain Cripps, arrived with part of the contract, ^{and} a quantity of merchandise for Lord including nearly 9,000 gallons of rum. Francis Williams reached the colony in 1812 with the remainder of the contract and more rum for the partnership.²⁹

One of the most prominent new traders of the Macquarie era was Alexander Riley. Riley had come to the colony in 1804 but until 1809 he had been a commissariat officer at Port Dalrymple. Two of Riley's sisters had married officers in the New South Wales Corps (Captains Ralph Wilson and Anthony Fenn Kemp), and he seems to have been something of a protégé of Lt. Colonel Paterson. He accompanied Paterson to Sydney when the latter replaced Johnston as acting governor and with the arrival of Macquarie forsook public employment for commerce. Riley had a considerable asset for one who wished to engage in India speculations: his younger brother Edward was a resident of Bengal where he was married to the daughter of an English merchant called Moran. Edward visited Sydney in 1810 or 1811 and in October 1811 returned to Calcutta with the idea of buying a ship and cargo and returning with them to Sydney. Alexander expected to remit him £4,000 early in 1812 for this purpose but the

29. The references for the Lord, Williams rum privileges, and the subsequent tangled law suit with Cripps, are Col. Sec. In Letters (hereafter C.S.I.L.) 1810, pp. 258-259, 276-277 N.S.W. Archives 4/1723; op. cit. 1811 pp. 32-33, 137-139, 4/1726, op. cit. 1812 pp. 40-41, 4/1727; Col. Sec. Letter Books (hereafter C.S.L.B.) 1810 Part I p. 153, Part II pp. 5, 29, 41, 68-69, 4/3490; op. cit., 1811, pp. 24, 102, 4/3491; Cripps v Lord & Williams, Court of Civil Jurisdiction, Proceedings, Vols. 9, 10, N.S.W. Archives 1107, 1108 and Case Papers 2282.

enterprise was long delayed, probably because of the depression in Calcutta and the glut of India goods in the Sydney market.

The signing of the contract for building the Sydney Hospital by Riley, Darcy Wentworth and Garnham Blaxcell revived the project, for spirits were so valuable that it was felt to be impossible to have a losing voyage where they formed a substantial part of the cargo. Riley and Wentworth henceforth used Edward as their Calcutta agent and he did not return to become a permanent resident of Sydney until 1816. Between 1813 and 1816 he sent down several consignments of goods to Sydney, acting on specific orders and instructions from Alexander, who had formed just that kind of regular connection with India which Macarthur had hungered for in 1807. Moreover by chance he had acquired a valuable China connection as well.

Between his arrival in Sydney in January 1809 and the departure of the Admiral Gambier in March he seems to have become a close friend of W.S. Davidson. When the latter left the colony with other leading mutineers on the Gambier, he took with him £1,000 entrusted to him by Riley. Alexander expected Davidson to return to the colony quickly with a London cargo but in fact several years were to pass before his harvest came home. In England Davidson's influence got him Portugese citizenship and with it the right to reside and operate as a merchant at Macao - a remarkable coup which would make him envied by any British trader in the Orient. In 1813 Davidson, still clinging to Riley's funds, sailed for Macao and in 1814 sent down the Morning Star, consigned to Riley, with a cargo of the highest quality tea imported into Sydney to that time. In 1816 Davidson

sent Riley a further large consignment of tea on the Traveller. With a combination of shrewd judgment, a close attention to detail and remarkable good fortune, therefore, Alexander Riley was able to conduct a vigorous trade with India and traded at least twice with mainland China, between 1814 and 1816.³⁰

By the close of the Macquarie period the difficulties of trading with India had virtually disappeared and even the China trade was at least easier so far as Company regulations were concerned. In 1821 Edward Riley told Commissioner Bigge that while no ships were engaged in a direct trade with China from Sydney, a connection was possible:

We write to our agents in Calcutta to apply to the Bengal Government for a licence for a ship to proceed from hence to China, and to return with a cargo of Teas. The Marquis of Hastings has ... granted a licence for the voyage

Vessels so licensed had cleared direct from Sydney to China and at least one vessel had gone without licence knowing that the document would be waiting for her at Canton. Riley also said that China goods, especially tea, had been imported from Calcutta but of course such wares could not compete with wares imported direct.³¹

India and China were not the only sources of merchandise at which Sydney traders cast longing eyes. There was also Cape Town. The Cape colony had been first linked with the infant colony at Sydney by the

30. The course of Riley's connections with India and China can be traced in his letters to Edward 1811-1816 in "Letters from Sydney", Mitchell MSS Safe 1/50, in Riley Papers, Mitchell MSS A107, A108.

31. Evidence of Edward Riley to J.T. Bigge, 1821, B.F. Series I, Box 9, Mitchell Library.

initiative of Governor Phillip during the 'starving time' of 1788-1789 when he sent the Sirius there on a desperate dash to buy supplies. Disregarding Phillip's advice to sail south round Tasmania and then battle the prevailing westerlies 5,000 miles to Cape Town, Hunter correctly sailed east round the world. This had the effect of adding 4,000 miles to the journey, but Hunter reached Cape Town in only three months, and was only seven months on the whole voyage, of which almost two were spent in Cape Town loading ship and recovering the crew from scurvy.³² As we saw in Chapter One Captain Raven followed Hunter's track when he twice took the Britannia to the Cape on the officers' initiative during the 1790s.

In 1801 Simeon Lord cast hungry eyes at the Cape's wine stores and bought a brig sent to Sydney as a prize, loaded her with coal and spars and sent her to the Cape.³³ Her master, and Lord's partner, was Hugh Meehan. The brig re-named Anna Josepha in honour of Mrs. King, was described by the Governor as "a miserable tool" which would be lucky to reach the Cape.³⁴ However, she made the journey and the coal venture was a commercial success for a report reached Sydney that the coal brought higher prices than English coal.³⁵ This was no comfort to Simeon for Meehan sold brig and cargo both, pocketed the money, and, like the master of the Hunter in 1800, disappeared.

32. Cf. G. Blainey, The Tyranny of Distance, Melbourne 1966, pp. 42-44.

33. H.R.A. I, iii, 169, 636, 773, 804.

34. H.R.N.S.W. iv, 610.

35. W. Smith to R. Hassall, Jul 1802, Hassall Papers, Mitchell MSS A859, pp. 69-70.

Of course the East India Company's monopoly was a serious obstacle to trade with the Cape and this, together with the navigational problems and hazards of the Roaring Forties, in which most of such a voyage would be spent, kept interest in the Cape dormant during the King-Bligh period. The fall of Bligh, however, revived Lord's old ambition. In the spring of 1809 the government vessels Lady Nelson, Estramina and Resource were along side the ship Boyd loading her with coal and timber. Her master John Thompson was a new Lord ally, and the coal and timber had been bought from the Government on credit for sale at the Cape. From the sale of these staples a consignment of wine was to be bought and sent down, and part of the wine would go to the Government to pay for the staples. Lord asked acting-Governor Paterson to recommend Thompson to the Governor of the Cape, for he hoped that through this agent he might establish "a regular Commercial Communication with that Place for such Articles as may answer this Colony, in Barter for Timber and Coals", and that he might obtain contracts to supply the Cape Government with timber, coal and New Zealand spars in exchange for wine. Nothing loathe, and blandly ignoring the East India Company's rights, Paterson wrote Lord Caledon at the Cape strongly recommending Captain Thompson

... to his protection as I conceive the opening and encouraging a commercial intercourse between the Cape... and New South Wales to be a measure likely to prove of some convenience to the former Colony, and which cannot fail of being highly conducive to the prosperity of the latter.³⁶

In the event the Boyd was burned to the waterline by vengeful Maoris at New Zealand while completing her cargo with New Zealand spars and the

36. For Lord to Paterson, and Paterson to Caledon, both Nov 1809, cf. Governor Paterson's letter Book, Mitchell MSS, D144, pp. 63, 83a.

disaster proved the funeral pyre of Lord's Cape trade hopes. At the same time Paterson was brushed aside by the newly arrived Lachlan Macquarie, a Governor who was as determined to guard the rights of 'John Company' as ever King and Bligh had been. If Lord forgot his Cape dreams, however, others clung to them and tried all that ingenuity and chicanery would do to climb over the obstacle of the company's monopoly.

On 27 January 1810 the Hobart trader William Collins, part owner of the Union, wrote to Macquarie asking that, since the latter had signed with Lieut.-Governor Collins to go to India for grain, he should be allowed to send a cargo of spars to the Cape and bring back a cargo of Cape wines. The first feeler was brusquely rejected by the Governor who said he had no authority to permit such a voyage.³⁷ Undaunted in February Collins reiterated his request, stating that the Bengal government had given leave for India-built ships to convey timber to the Cape. He had a ship, the Union, half-full of timber which had no other market, and he would gladly enter a bond not to return with any goods which were not the produce of the Cape.³⁸ The Governor refused to give a written sanction for the voyage, but Collins and Garnham Blaxcell, who was his partner in the Union, decided the voyage should be made and the risk taken.

The Union went to the Cape and was arrested and not permitted to unload for five months - during which time the partners alleged, the Cape market for timber went sour! At the close of that period the arrest

37. C.S.I.L. 1810, pp. 170-171, N.S.W. Archives 4/1723.

38. Op. cit., p. 186.

was lifted, the cargo was sold and the Union's captain found his owners had only been recompensed one sixth the cost of the venture and this did not include the cost of obtaining the timber in New South Wales. In an effort to recoup their losses, therefore, the Union shipped in November 1810 "a small quantity of wines and raisins for Pulo Penang". En route for "Pulo Penang" the Union called at Sydney, and Collins wrote to Macquarie hoping he would allow at least a portion of the cargo to be sold in the colony.³⁹ The Governor's reply, through Secretary Campbell was swift and to the point:

... it appears very evident that the master [of the Union] has grossly imposed on the Collector of Customs at the Cape by representing his cargo as consisting of Timber for Pulo Penang, whereby he obtained a clearance, whilst in Reality it consisted in Wine, Spirits, Fruit, etc for this Place. That by this single Fraud the ship Union would have been legal prize to any of H.M. Ships which might have fallen in with her at sea, and by entering this harbour with a cargo so illegally obtained, she is now equally liable to seizure, and confiscation by Government here.

Remorselessly the Governor exposed the whole venture for the gross breach of regulation it unquestionably was. Clearly, he said, the Union's voyage from her first departure for Hobart in March 1810 was for the purpose of bringing a Cape cargo in violation of the Company charter; that such a cargo had been smuggled on board at the Cape; that she had been originally seized at the Cape because she had no clearance from Sydney; that he had given them neither verbal nor written permission for such a voyage but rather had warned them of the liabilities they would incur if the Union left the Derwent on such a venture. However, in view of the

39. Blaxcell and Collins to Macquarie, 25 Feb 1811, C.S.I.L. 1811, pp. 41-43, 4/1726. Blaxcell claimed to have chartered one third of the Union for £86 6s 8d a month.

expenses they had incurred, he would not confiscate the vessel if they would undertake to leave for Pulo Penang with the cargo intact by March 5.⁴⁰ A feeble request for a few days extension was peremptorily refused: if the bond was not signed by the morrow immediate confiscation would follow.⁴¹ Macquarie not only wrote the partners, he assailed Blaxcell verbally so that the latter was "so seriously alarmed and distressed in his feelings" that he was "absolutely rendered incapable of giving utterance to my embarrassment". By the following day he had calmed down sufficiently to write the Governor a five page defense of his conduct.

Blaxcell's defense is interesting because in passing it showed that he had planned to launch a regular connection with Cape Town, trading "Coals, Cedar, Knees and Timbers for shipbuilding" for wine, dried fruit, etc. He claimed the Governor had given him verbal permission to launch such a venture, and that to have engaged in a venture knowing it to be illegal would have been "an act of the highest desperation and madness". In pressing on the Governor "the purity" of his "intentions and the Innocency of the measures adopted" he rather tactlessly made it clear that part of the cargo had already been landed at Hobart with the connivance of the authorities, a further breach of regulation. It was to no purpose. The Government was adamant. Not even the discovery of proof that the Union's cargo had been shipped with a proper port clearance at Cape Town would weaken him, for as he pointed out, if it was true that the cargo was unsaleable at Pulo Penang (as they claimed) why did the Cape clearance show

40. J.T. Campbell to Messrs Collins & Blaxcell, 25 Mar 1811, C.S.L.B. 1810-11,
413490.

41. C.S.I.L. 1811, p. 49, C.S.L.B. 1810-11, p. 121.

that port as the destination - if not to deceive the Cape authorities? In the event the Union sailed for Pulo Penang and the firm of Maude and Robertson of Cape Town, the shippers, were to be long in search of payment for their strayed merchandise.⁴²

In February 1812 Joseph Underwood, who had been an interested observer of Blaxcell's embarrassments the year before, sought the Governor's permission for a Cape permit on the grounds that the East India Company now permitted vessels to bring produce from the Cape to Sydney and return with local goods. The Governor was "concerned he cannot comply with Mr Underwood's request" but the new regulations insisted that a permit must first be obtained either in London or at the Cape.⁴³ After the change of regulations of 1813 had severely curtailed the Company's privilege the Governor naturally was eager to cooperate. In 1816 he gladly acceded to James Birnie's request for permission to import 10,000 gallons of Cape wine 1,000 gallons Cape brandy and dried fruit.⁴⁴ For the remainder of the Macquarie period the Cape continued to attract an occasional venture from Port Jackson, though not all were financially rewarding, thereby establishing a commercial connection which survives to this day.⁴⁵

42. Sydney being what it was the story was not quite over. A constable swore a deposition that spirits were smuggled from the Union to a Blaxcell owned boat the night before she sailed. The partners demanded to see the deposition but Macquarie refused stating rather disquietingly that it had been taken "for his private information". C.S.I.L. 1811, pp. 95-98; C.S.L.B. 1810-11, p. 142; 4/1726 and 4/3490.
43. C.S.I.L. 1812, pp. 49-50, 4/1727.
44. C.S.I.L. 1816, p. 43, 4/1736.
45. James Birnie told the Governor in December 1819 that a heavy importation from the Cape in his brig Queen Charlotte had been a failure, C.S.I.L. 1819, pp. 131-132, 4/1743.

There was one other source of merchandise within the 'Indian seas' with which a connection might have been established had circumstances been more favourable: this was the Isle de France, subsequently renamed Mauritius. As this was a French colony, the Napoleonic war rendered its inhabitants enemy aliens and it might be supposed that this would have inhibited Sydney traders from even considering Mauritius as a source of goods. Even in time of peace, of course, the island lay within the Company's monopoly area, and thus any attempt by Sydney residents to go to Mauritius for goods would be a breach of regulation. But Simeon Lord must have asked himself: how if the residents of Mauritius came to us - with goods specifically, if secretly, ordered by me? In March 1802 France and Britain signed the Peace of Amiens. (It would have been approximately six months before this news reached Sydney.)

The peace only lasted until May 1803 but once again the Antipodes lagged several months behind. In July 1803, two months after the outbreak of war, the brig Adele reached Sydney from Mauritius, with 4,000 gallons of rum, 430 gallons of Cape wine and a mixed cargo. King allowed her cargo to be landed, even the spirits. Although the vessel is listed, along with some others, as "Indian" - i.e. from India, the Adele, which was captained by a Robert Coutances, was owned by Merle, Cabot et Cie. of Mauritius. During her two month stay in Sydney Simeon Lord came to an arrangement with Coutances by which Merle, Cabot et Cie. would send him a cargo. Governor King had no desire to see a connection established between Mauritius and Sydney. He explained to Lord Hobart that he did not wish to cause unnecessary difficulties with the French - which is why he

allowed the cargo to be landed - but told Coutances that future vessels from Mauritius would not be allowed to land spirits, and that he would write to the Governor of that island to that effect. Shortly after the Adele's departure King heard a rumour of Lord's arrangements but an officer sent to investigate was met with bland denials.⁴⁶

In December 1805 Lord's cargo arrived on board the Eliza, a vessel captained by an American called Richardson and registered in Salem. It was the nationality of the vessel which saved it from immediate seizure, although the master persuaded King that the liquor at least had been shipped in a neutral port. Nevertheless Richardson had come from an enemy alien port and his credentials were closely examined. Sure enough he was found to carry a letter addressed to Pimeon Lord from Merle Cabot et Cie., and the letter referred to a contract which the emancipist had signed with the latter firm. Lord was told to produce his copy of the contract but unblushingly said that he possessed no such copy - though he does not appear to have persisted in denying the agreement in the face of the intercepted letter.⁴⁷ In spite of these traces of conspiracy to thwart the regulations protecting the East India Company, King permitted Richardson to land a large proportion of his spirits - and presumably all of his less controversial merchandise. The Eliza then sailed for China, but called at Norfolk Island en route and landed further spirits

46. H.R.A. 1, v, 657.

47. H.R.A. I, iv, 357; v, 631, 657.

on Lord's behalf quite without the Governor's consent.⁴⁸ This was the last serious attempt to establish a commercial connection with Sydney until the capture of Mauritius by the British and the extinction of the Company's Indian Ocean monopoly made trade with the island possible.

The one major source of merchandise which at first sight might seem the easiest for the colonial trader to organise was London. Dr. Steven, commenting that the colonial settlers had "established commercial contacts with the Pacific Islands, India, China and South America" before they had penetrated fifty miles into their own hinterland, added that "it was not until wool became an established export that New South Wales developed strong commercial ties with England".⁴⁹ I find this statement inexplicable. The difficulties encountered by the colonists in establishing fruitful contact with mainland Asia and the Cape have been set forth. London was the principal market for colonial seal skins and oil from the last years of King to the first years of Macquarie - the best years of the industry. The connection with London was close and fruitful throughout our period.

48. In July 1806 King wrote Piper angrily demanding if it was true that Captain Richardson had landed 200 gallons of rum for Lord & Co. which were lodged in the King's Store - and from which twenty gallons were issued to the Governor King brig (owned by Lord & Co.), King Letter Book, 528, Mitchell MSS A4042. Thus Lord's influence at Norfolk was such that liquor could not only be illegally landed there with the connivance of the authorities, but he could use the Commissariat Store as his warehouse! Richardson probably took 43,000 skins to China for Lord, but this part of the association ended badly. "Captain Richardson is dead which we fear will be the occasion of loss to you", T.W. Plummer to Lord, 16 October 1808, Plummer v Lord Kable & Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286.

49. In Abbott and Nairn (Growth), p. 120 and f/note on p. 134.

The connection with China was spasmodic. Occasionally a Cape merchant-captain would speculate with a cargo to Sydney. The connection with Rio applied only to merchandise casually acquired by ships calling en route to Sydney - and even this petty trade was illegal so far as the Portugese authorities were concerned. No other South American port had any relevance at all. The connection with the Pacific Islands had an immediate significance to the pork and sandalwood trades (described in Chapter Ten below) and in the long term these trades pioneered the Pacific frontier of New South Wales and demonstrated its possibilities to future generations of colonists. It was a useful avenue of investment and briefly provided an export staple the Chinese valued. The scale of the Pacific and China trades cannot be compared with the trade with London, however. The India trade was much more important than these others but it is surely nonsense to suggest that there were strong commercial ties with India in this period and that there were no such strong commercial ties with London.⁵⁰ Such an illusion demonstrates the dangers of concentrating

50. In the period 1 Jan 1800 to 31 Dec 1808 there was approximately sixty three arrivals from the United Kingdom to nineteen from Indian ports - fewer than arrived from the United States (about twenty five). Not all these vessels brought cargoes but I have not counted those which Cumpston states definitely did not bring cargoes. There were also arrivals from Manila (one) Mauritius (three) Penang (two) and a prize of war from Timor. There were also at least five from the Cape whose ultimate origin is obscure. While admittedly only a rough count I doubt if the proportion suggested by the figures would be seriously at fault. Of course, the U.K. figure is swelled by transports and whalers but as such vessels almost always brought merchandise and a few were at least part-owned by Sydney entrepreneurs they are most certainly part of Sydney's commercial link with London. (Cf. Cumpston (Shipping)).

too closely on one big trader - in this instance, Robert Campbell.

Simeon Lord was as interested in establishing commercial relations with Asian and Indian ports as any man in New South Wales. Yet even he chose a London agency house, Plummer & Co., as his chief brokers and agents. One could cite Macarthur and Blaxcell's relations with both Plummers and Mulletts; the Blaxland brothers' connection with Mulletts; the Sydney associations of Alexander Birnie & Co which caused James Birnie to become a Sydney resident; the speculative voyage of the City of Edinburgh from 1807-1810 which led to Alexander Berry and Edward Woolstonecraft becoming resident merchants; the efforts of John and Hannibal Macarthur to share in the profits of the London-Sydney trade in the Macquarie period.

London was from the first a major source of merchandise and it remained so. This is not to say that the London-Sydney trade did not present the Sydney trader with grave difficulties. One trouble was the very great distance from Sydney, which not only delayed delivery, but made communication of orders protracted and, with both the war and the elements taking their toll, liable to interruption. Moreover the menace of French privateers kept insurance rates extremely high (see Chapter Nine below). English goods could be obtained at not unreasonable prices but Chinese and Indian goods shipped from London were bound to be dearer than the same goods shipped direct from Calcutta and Canton. That is why the ports of Calcutta and Canton seized the imaginations of the Sydney traders.

Nevertheless London was seen as a basic source of merchandise. Macarthur brought out a cargo on the Argo in 1805 (part of which he either

sold through Lord or to Lord) and imported more on the sealer Dart in 1807. Lord himself, not content to deal simply in wares brought out speculatively, but wishing to control the choice and timing of the goods, tried hard to organise regular shipments from England. He even believed that he had succeeded.⁵¹ In Plummers he had agents prepared to back him with lengthy credit because they had faith in his ability to send them shiploads of skins and oil, and were rather too confident of their ability to sell these at a substantial profit. The trouble was Lord was so heavily involved in so many different enterprises and was, as we shall see, so much in demand as an agent and as a salesman for ship's captains, that his need for sterling bills was insatiable. Plummers sent him one valuable cargo on the Star, which he owned, in 1808. After they had bought and refitted the Sydney Cove for more than £7,000 in 1805 they were unable to advance sufficient funds to buy a cargo as well. (They chartered her to Government and she brought out stores and convicts instead.)⁵²

In conclusion, this survey shows that while the Sydney entrepreneurs pioneered potentially valuable trade links with China, the Indies and the Cape, and gained experience of great value for future Sydney traders, their wider visions had to remain unfulfilled. Their difficulties, failures and disappointments demonstrate the point made earlier: the tyranny of distance

51. "Simeon Lord ... is enabled to order a Ship annually from London to this Colony: He is ... willing ... to furnish [suitable customers] with such ... Merchandise as they may want, they paying a certain per Centage for Weight, Insurance and Profit for Money advanced." Sydney Gazette 28 Dec 1806. He intended to load the ship with oil and seal skins and was willing to trade goods for skins and oil with "Speculators in small Craft".

52. For further discussion of Lord's mercantile dealings with London, see Chapter Nine below. For his clandestine ownership of ships see also Chapter Seven.

and the tyranny of corporate privilege were together most formidable obstacles to anything more than spasmodic connections. With London connection was more constant but this was because of the frequent sailings from London and Ireland of convict transports, and the south whalers and other ships which were all able to carry cargoes to the Sydney market. India, particularly the port of Calcutta, was closer and country ship operators like the Campbells could and did send speculative cargoes. However, the volume of goods passing from Calcutta to Sydney and the number of vessels involved was much smaller than that from the United Kingdom. It would have been even smaller, at least in the period to 1810, had it not been for the presence of Robert Campbell as the outlying branch of a Calcutta firm.

No doubt Campbell's special position was the envy of Simeon Lord, faced with tremendous problems in spite of his access to valuable export staples. Lord made the jump from the status of dealer to that of merchant chiefly by the sheer scale of his activities, and by the volume of goods passing through his ware rooms. Yet even he failed to establish a regular connection of the kind he sought with London let alone with India, Canton or the Cape. Campbell's India connection meant that not only could he order Indian cargoes but that he could order from London direct with no fear that his credit would not stretch to cover his needs. Lord must have welcomed the clipping of Campbell's wings after the fall of Bligh. Ironically and unknown to either merchant, Campbell's advantages in the days of King and Bligh proved so many millstones in the gloomier days of Macquarie. It was then shown that too close a connection with London or

Indian houses could prove fatal to a firm if a severe depression brought those houses down.

In the grim months after Macquarie's succession it was Simeon Lord who showed the greatest resilience, in spite of his huge debts and precarious position. However, the story of the colony's first depression must be considered in its proper place as part of the story of commerce within the New South Wales colony.

Chapter Five: Patterns of Trade in Sydney 1800-1821.

... almost all articles are here very dear or very cheap - for on account of the Colony being so great a distance from the Mother Country ... the Market is either overstocked ... or completely empty.

Ellis Bent, 1810.

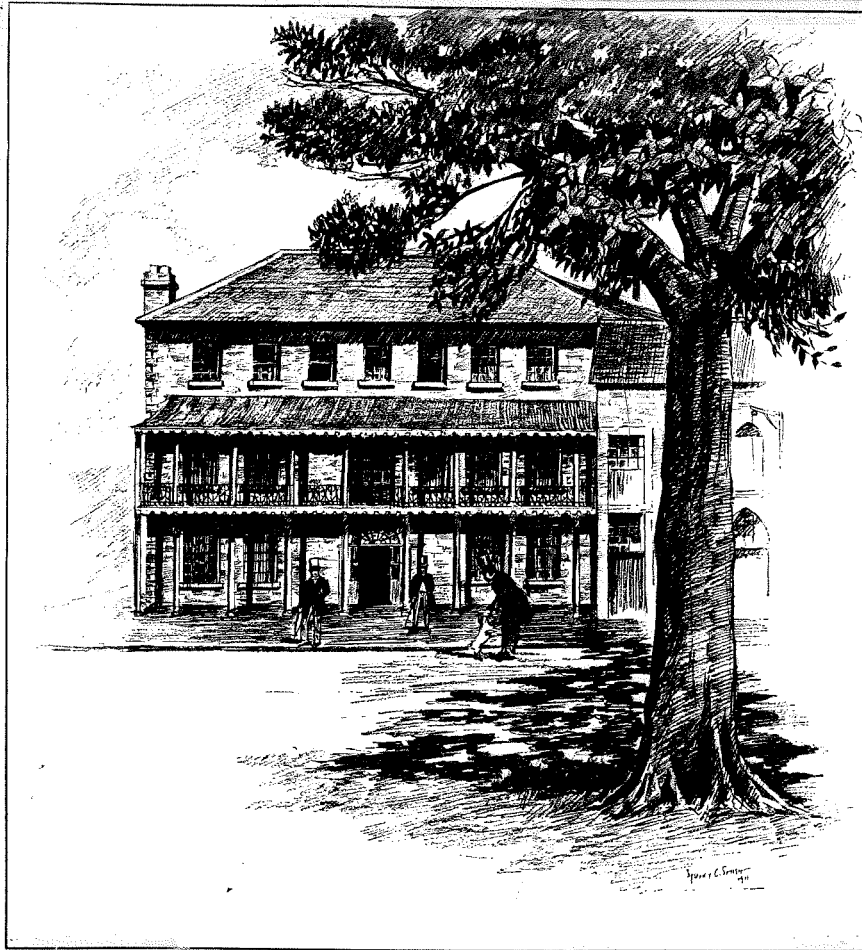
I ... think the Prospects and Funds of this Colony so uncertain that not even your kind offer of support ... could tempt me to engage in any adventure. Would to God I had always entertained the same sentiments!

John Macarthur to W.S. Davidson, 1818.¹

This chapter must be discursive for it is now necessary, in completing this survey of early colonial commerce, to cover a variety of topics. Chief among them are: the problems the traders encountered in the conduct of their businesses; the attitudes of Governors King, Bligh and Macquarie to their enterprises and especially their influence on the supply of sterling; the effect on the development of commerce of such large merchants as Campbell, Lord and Macarthur; and the influence on the Sydney traders of the severe depression during the first years of Macquarie. In the course of this survey it is hoped to give some impression of the life of a Sydney trader in the first years of the nineteenth century.

We have already examined at some length the way in which the Governor influenced the market, sometimes deliberately, sometimes unintentionally, through his interference with the importation and distribution of spirits, and by selling goods through the Commissariat.

1. For sources see footnotes 67 and 41.



Simeon Lord's Bridge Street Mansion, built 1803.

Three storeys high on the street, the house was four storeys high at the rear overlooking the Tank Stream. It had four large rooms on the ground floor, opening off a wide hall, including a counting house and auction room. There were four bedrooms and one large and two small dressing rooms on the second floor, while on the upper floor there were no less than fourteen small bedrooms giving off a ten-foot passage. The extensive servants' hall, pantry, and cooling cellars were all in the basement. Stone-built, the house was lined with cedar on the ground and first floors. Lord claimed it cost him £15,000 to build. (Drawing by S. U. Smith).

The aspect of the new governor's policy which most interested Sydney traders in the year 1800 was his purchasing of grain and pork for the Commissariat Store. This fundamentally important influence on the Sydney market cannot be understood unless we first understand how the wholesale merchants of the King and later periods operated. How, for example, did a trader like Simeon Lord run his business?

When a ship came down the harbour Lord would be among the first men on board, and would then solicit the disposing of the cargo, no doubt describing the extensive warehouse facilities he had available, and inviting the captain or supercargo to take up residence in his Bridge Street mansion. Once the undertaking had been settled, and the captain comfortably esconced in one of his upper rooms, Lord would advertise the cargo for sale. Some of it would be sold in substantial lots to other Sydney dealers, other lots would go to such 'frontier' dealers as Andrew Thompson at the Hawkesbury. A large portion would pass from Lord acting as commission agent for the captain to Lord as dealer for himself and from that area of his warehouse reserved for such goods to his own retailers and agents both in Sydney, at the Hawkesbury, at Norfolk Island and later Van Dieman's Land. All these operations were on credit.

The dealers now distributed their wares among the soldiers, the petty officials, free settlers, emancipist farmers and even the convicts. In return they received grain or meat, especially the former, or, and much preferred, Store receipts issued for grain or meat already sold to the Commissariat.² If the settlers lacked either produce or paper they would

2. In Jan 1809 Henry Kable advertised his readiness to receive wheat from debtors "and hoped their would be no disappointments as Government Stores are ready to receive the same from him", Sydney Gazette, 8 Jan 1809.

be allowed credit against the anticipated value of their next crop. Meanwhile Lord's principal client - the ship - would be lying at anchor in Sydney Cove, unable to depart until Lord could provide the master with sterling bills. The more impatient the captain grew the more desperate Lord would become to extract sterling from his customers, and he would cajole his clients through the pages of the Sydney Gazette:

Simeon Lord begs leave to inform his Friends and the Public ... that in consequence of the great Stagnation in the Circulating Notes of the Colony which has so materially inconvenienced all descriptions of Traders, he has been induced to forbear presenting his Accounts for the last six Months; but as he has considerable sums to pay the masters of the Cato, Rollo and Bridgewater which must be forthwith liquidated he hopes that all ... indebted to him will ... settle their accounts by the 24th instant, as he will not have an opportunity of consolidating any Bills after the 30th instant until the expiration of the ensuing Quarter.³

In response there would be a sluggish movement to Lord of Treasury bills, and of Store receipts for small sums, which he would present to the Commissariat Officer for consolidation into bills on the Treasury for larger amounts. These, with bills on the Treasury issued to him for grain he had put into the Store on his own account - grain he had obtained in barter from his retail customers⁴ - would constitute the funds he would pay the captain of the ship on the eve of its return to London or Calcutta. If we substitute Robert Campbell for Lord the picture would be much the same except that it is likely that Campbell had a much more direct contact with Hawkesbury farmers, who would almost invariably pay their debts in grain.

-
3. Sydney Gazette, 12 Jun 1803. I imagine captains would tend to receive bills which were paid to Lord for goods brought on earlier vessels. In March 1804 Lord was urging his customers to "retire their accounts for consolidation" because of "a very serious disappointment he has met with in the Returns he expected from the considerable Investment he sent to Norfolk Island. (Some Circumstances having prevented his receiving a single Bill from that Island) ...", Sydney Gazette, 11 Mar 1804.
 4. In February 1804 the Commissariat Store accepted his tenders of 2,000 bushels of wheat at Farramatta and 500 bushels at the Hawkesbury, Sydney Gazette, 5 Feb 1804.

Campbell was, therefore, the biggest supplier of grain to the Commissary, and the chief recipient of bills for grain.

Sometimes the ship's captain would be unable to wait for this slow moving process to complete itself. Sometimes it would not be possible to mobilise sterling in sufficiently large quantities, particularly if there were several ships in port competing for the available supply. It was then that captains were glad to be able to entrust their cargoes to a commission agent like Lord who would sell as rapidly as possible within the limits of profitability - perhaps over several months - and would remit to the owners sterling bills as opportunity offered. From a modern view - indeed from a contemporary view - the machinery was irksomely cumbersome and inflexible. The great problem was, as we saw in Chapter Three, the medium of exchange: the lack of a Mint and a Treasury - or even a private bank of issue. However, with all its faults the system worked. It was the only system they had and the traders made the best of it.

The description of Lord in action is a conjectural reconstruction of what would have happened to a cargo arriving in the last years of Hunter's governorship. It is clear that in the system described the Commissariat Store is of crucial importance. It was the chief source of foreign exchange, for it was the only means by which the customers' grain and meat could be transmuted into sterling bills on the Treasury (or on the Victualling Office or the Transport Board). Naturally any major change in the purchasing policy of the Store - which meant of the Governor - would have a very marked effect on the colonial economy. Governor Hunter

had found on his arrival that Grose and Patterson had abandoned public farming and he did little to revive it, so that the colony's large numbers of dependent mouths were filled by a heavy expenditure on foodstuffs privately grown. The result was inflation - booming times for the traders but alarmingly, indeed distressingly high prices of imported goods for the farmers which were not compensated for by a higher demand for their grain.

King knew that the readiest way to win Whitehall's approval was to reduce the cost of the colony to the Exchequer, and so embarked on a policy of strict economy. He reduced the number of mouths fed by government and revived public farming on a large scale. Both measures much reduced the need for settlers' grain. By his system of 'annual and extra supplies', described in Chapter Three, he also reduced the number of store receipts it was necessary to issue for the grain and meat he still needed to buy. The effect of the policy was markedly deflationary: the amount of sterling in circulation fell dramatically. Hunter's issuing of Treasury bills had increased from £26,407 in 1798 to £43,338 in 1799 and to £50,707 in the first nine months of 1800. While a proportion of this was expended for Norfolk Island, G.J. Abbott has shown that the total for the mainland colony for the three years 1798 to 1800 would have been about £94,000.⁵ In contrast King only drew bills to a total of £87,447 in the whole period of his governorship - i.e. from 26 September 1800 to 12 August 1806.

5. I am indebted for much of the material on Government expenditure in the King period to the pioneer work of G.J. Abbott, recently published in Abbott and Nairn (Eds.) Economic Growth of Australia, 1788-1821, Melbourne 1969, Chapters Eight and Nine.

(His heaviest year was £20,875 in 1805 and his lowest full year, 1801, was only £10,232.) Moreover the colonists only received £34,315 of this total. Of the rest £27,881 went straight into the pockets of captains of visiting ships for goods or services supplied to government, and £25,251 went to overseas merchants.⁶

It is true that ships' captains sometimes took grain in barter for goods and then passed them to the Store in exchange for Treasury bills. About £4,000 worth of the bills paid directly to captains thus helped to pay for imports, but this is a not very significant amount and only increased the amount of foreign exchange to about £39,000. While our knowledge of Hunter's bills is very incomplete it is certain that of the £34,822 worth of bills issued between June 1796 and August 1798, no less than £29,177 was paid to colonists for grain and meat put in the Store - or about 83 per cent. The £39,000 worth of bills available to colonists, directly or indirectly, between September 1800 and August 1806 represented about 44 per cent. So not only was government expenditure much reduced, the proportion of it which irrigated the colonial economy was also much reduced.

It is interesting to observe which residents of the colony received the lion's share of the £34,315 worth of bills drawn in their favour. Less than £10,000 worth went to the officers, civil and military, and this includes such minor officials as James Wilshire, the budding master-tanner, Thomas Moore the boat-builder, W.N. Chapman, the Governor's secretary, and Jacob Mountgarrett, the Port Dalrymple Surgeon. At least £1,500 worth

6. *Abbott, op. cit.*

were simply payments of salaries. Of the rest £1,902 4s 5d was paid to Surgeon William Balmain (or to Darcy Wentworth acting as Balmain's agent), and Surgeon John Harris received £1,278 15s 10d. Edward Lamb received two payments in 1805 totalling £1,539 4s 7¹/₄d. Lieutenant McKellar was paid £600 in 1802, but he left Sydney for London in March that year and was lost at sea. No other officer or official was paid as much as £600 and only two were paid more than £400. More significantly no officer received Treasury bills in more than two years, and only three in more than one, excluding salary payments.

In this analysis I have excluded John Palmer because he was a special case both as Commissary Officer and as the brother-in-law of Robert Campbell the biggest private merchant in the colony. It is in fact difficult at times to disentangle his concerns from Campbell's, especially in the period 1805-6 when the latter was absent in England and Palmer acted as his Sydney agent. Palmer received £1,775 15s 9d on his own account (and £120 14s 5d in 1805 certainly on behalf of Campbell) in bills issued in the four years 1802-1806. Campbell himself received about £5,700 worth of bills for grain and meat up to December 1805, in addition to the bills which government made out to him as agent for his brother whose firm had supplied cattle, sugar, spirits and miscellaneous provisions for government use to a total of £24,222 10s 7d. Campbell received an additional £1,781 in the first six months of 1806 for goods and services unspecified. The other chief recipient of Government bills was Simeon Lord who received £4,904, although this included £2,100 paid to him as prize agent when he sold the Ustramina to Government in 1806. Something like £5,252 was divided up among a considerable number of smaller traders and settlers.

With so many people slicing a very modest cake it is not surprising that men like Lord, Kable and Underwood, Palmer, Thompson, Reiby, Campbell turned to sealing and then to sandalwood in a desperate effort to find an acceptable substitute for Treasury bills. Lord's running account with his London brokers from 1804 to 1810, when combined with the running account of Lord, Kable and Underwood amounted to £102,120, and he signed bills on Plummers for more than £60,000 - nearly three quarters the total of King's whole Treasury bill expenditure and over a comparable period of time.⁷

It is not surprising that King welcomed the initiative shown by the traders, for the new industries they founded created jobs, and took men 'off the Store', thereby helping his economy drive at the same time reducing the pressure on the Governor to increase expenditure.

It may be useful at this point to consider Bligh's attitude to these problems, for even though he was Governor for a briefer period than King (mid 1806 to January 1808), the manner of his fall has naturally drawn as great or even greater attention to his governorship in the past. It is not necessary to recount here the political disturbance of January 1808. This is the more true in that the influence of Bligh's overthrow on the commercial life of Sydney seems to have been minimal. Since the putsch has normally been attributed to the desire of a section of the commercial community to free itself from the governor's restrictive policies, this may seem a paradox. Nevertheless the commercial policy of Bligh, so far as regulations are concerned seems to have been much the same as King's policy,

7. Cf. Plummer-Lord & Co accounts, *Plummer v Lord, Kable & Underwood*, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286.

despite efforts of writers friendly to Bligh to depict it as a great improvement.⁸ Was King "weaker" than Bligh? Certainly after Macarthur's return in 1805 he buried his hostility under a surface of cordiality - occasioned, no doubt, by an obscure colonial governor's respect for Macarthur's London patrons. King could act with decision, however, where the offender was more vulnerable. His driving away of the Criterion's China cargo demonstrated his determination to resist attempts to defeat the tenor of his instructions about trade with China.⁹

Nevertheless, unlike King, Bligh did not contrive to keep on reasonable terms with most of Sydney's propertied men. He began making enemies soon after his arrival and by the time of his deposition, the only propertied men who supported him were Campbell, and Palmer, both officials, and, at the Hawkesbury, Andrew Thompson. Lord, Kable and Underwood had been treated by Bligh with marked injustice. He had also behaved in a most regrettable manner toward Captain Wilkinson, master of a vessel jointly owned by Plummer & Co. and Lord & Co. and at Lord's request Plummers had taken the matter up in Whitehall. Bligh was also hostile to the Blaxlands on the curious ground that they had come to the colony to make money. It has been said that Macquarie was the first governor to dare to deport an enemy - yet Bligh claimed to have deported Francis Williams, associate and future partner of Simeon Lord, and husband of his ward. Jamison he was determined to send packing, Blaxcell was Macarthur's partner and therefore at odds with Government House. Bligh's treatment of Captain Pattison of the City of

8. E.g. H.V. Evatt, Rum Rebellion.

9. See Chapter Ten below. Bligh warmly supported King's action.

Edinburgh, and of its owner, Alexander Berry, for that matter, was such as to cast doubts on the Governor's mental balance, if Berry's account of it is even half true.¹⁰ Of course the City of Edinburgh lying in the harbour with a valuable cargo of wine and spirits which the Governor was clearly determined to keep from his opponents, or any not his favourites, would spur on those who were bent on mischief. The explosion when it came arose from many factors, and one at least was fear: fear for the safety of John Macarthur, whose pride and ill-judged indiscipline over the Parramatta had placed him in serious danger; fear for the safety of others who were menaced by the Governor's regulation against the drink traffic.

However, the difference between King and Bligh as Governors was less a difference of policy than a difference of attitude. Bligh was hostile to enterprise, King was not; rather he fostered it. King's attitude to the colony was, pace Dr. Elvatt, much more realistic than Bligh's. He knew that in spite of the high cost of labour men needed to find employment elsewhere than in agriculture, for example, in trade, sealing, fishing, shipbuilding, as mariners, as tradesmen in manufactories. If every man was engaged in agriculture who would consume the agricultural surplus? If the Government farmed, the convicts would not consume the surplus and the settlers would be ruined. If the Government did not farm, the settlers would be protected, but economy would end and the Governor would be ruined. King, faced by this dilemma, saved himself, but at least encouraged the development of a more balanced economy.

10. Alexander Berry, "Narrative of the Voyage of the City of Edinburgh" Berry Papers, Vol. I, Mitchell (Uncat.), MSS315. See transcript at Hainsworth (Builders) pp. 39-44.

Bligh never had to face the problem because the great flood of 1806 wiped out the surplus, and the colony needed rather to import than to worry about the perils of abundance. Nevertheless he would have had to grapple with this problem in the end. His vision of a colony of small settlers living an agricultural idyll was less realistic than Thomas Jefferson's dream of an America from which the evils of high finance, industry and an industrial proletariat would be for ever excluded. At least Jefferson recognised that commerce was the essential handmaid of agriculture, and took care, when Secretary of State, to warn the European powers that if they would not purchase America's agricultural surplus, America would have to found manufactories of her own.¹¹ In brief, no matter how self-interested the leaders of the primitive commercial society of Sydney were in January 1808, their vision of the future was more prophetic than that of the Governor. It was more prophetic because it was more firmly based on economic realities.

* * *

The Sydney traders advanced into the new century in changed circumstances. The long period of inflation and high prices was over. In August 1801 Marsden wrote a friend that ships had arrived from various places with merchandise which had "reduced many goods below their original cost and many thousands of pounds worth of goods" had been carried away "for want of purchasers" while a huge quantity of goods remained unsold.¹² In October

11. H.V. Evatt, Rum Rebellion, p. 220; R. Hofstadter, The American Political Tradition, New York, 1948, Chapter Two, passim.

12. Samuel Marsden to Mrs. Stokes, 22 August 1801, Marsden Family Letters, p. 79, Mitchell MSS 719.

George Bass found the market no better:

Everything went on well until we arrived here, and since all things have gone bad. This market is glutted with goods beyond all comparison; glutted ... on two accounts, a natural glut from the quantity of goods far exceeding the consumption, and glutted also because the new system of government is built upon a plan of the most rigid economy. It issues very little or no bills.¹³

Clearly in the changed situation of the King regime the successful traders would be those best able to adapt to the changed situation, most ingenious in finding new sources of sterling bills, most successful in obtaining a generous share of those Government bills which King did issue. Significantly, at the opening of the King period there were new faces behind the counting house desks. In place of officers anxious to make a quick and transportable fortune on which to retire to England, there were men prepared to yoke their destiny to the colony's future. The faces were sometimes less genteel but they were likely to be more permanent and more single-mindedly devoted to commerce. Some officers and officials continued to trade, of course: men like Thomas Jamison, William Cox, and Darcy Wentworth, for example. However, with the exception of John Palmer, their activities were less important than those of the emancipists and free settlers who had replaced them as the dominant force in the market.

Robert Campbell was the leading merchant in Sydney from his arrival as a permanent settler, aged thirty, in February 1800 until at least the fall of Governor Bligh in January 1808.¹⁴ The son of the Writer and town clerk of Greenock Scotland, Campbell went out to India in 1797 to join his

13. G. Bass to Captain Henry Waterhouse, 4 October 1801, H.R.N.S.W. iv, 587.

14. He had, of course, a great career in colonial commerce still to come, but within the bounds of the period of this work he was unable to re-establish his old ascendancy, even though he made a remarkable recovery from the disastrous period from 1809 to 1814. Cf. Steven (Campbell), Melbourne 1817.

older brother John, a partner in the house of Campbell, Clark & Co. of Calcutta. Robert was admitted to partnership a few months later. He seems to have been a typical example of the Scottish colonial entrepreneurs of the late eighteenth to early nineteenth century who did so much to advance the cause of Empire by their enterprise and initiative in the service of commerce. Although a man of considerable integrity bolstered by his sense of pride in his own worthiness, one suspects that he was guilty of the kind of clannishness of which Macquarie was often guilty: that is, a tendency to be too suspicious and indeed contemptuous of the motives or character of rivals and opponents, and too trusting of the worth of those with whom he was associated or related. (This is particularly true of his association with his brother-in-law Palmer, a man of a very different stamp.) However, even without the emergence of those lusty "cookoos in the nest", the emancipist traders, the advent of Robert Campbell would have killed the officers' monopoly of wholesale trade. In 1803 Campbell told the Court of Civil Jurisdiction that he had settled and managed accounts in Sydney to almost £100,000 sterling and produced bonds to support the claim.¹⁵ As shown in Chapter Three Campbell had £50,000 worth of merchandise in his store at one time in 1804 - worth more than all the Paymaster's bills drawn during the seven or eight years of the officers' 'monopoly'.

Campbell was much appreciated by the settlers because, like the Store, he gave long credit and would take grain in exchange for goods. Moreover

15. "... a proved testimony of the confidence placed in my integrity not only by ... Campbell & Co, but that of a more respectable and longer established (house), Fairlie, Gilmore & Co of Calcutta ...", S.C.P. Bundle 15 Item 2 N.S.W. Archives 1154.

ex-convicts and free settlers alike found him trustworthy, and many used him as a kind of bank. At first he held aloof from the squabbles which periodically convulsed Sydney society, but he was on cool terms with Governor King in spite of his large operations on behalf of Government.¹⁶ In 1801 he married John Palmer's sister Sophia and although the Commissariat Officer never became a member of Campbell & Co., his avidity for trade naturally closely involved him with the fortunes of the Calcutta house. In 1805 Palmer acted as Campbell's agent during the latter's absence in England. In the crisis of 1810-1814 he was heavily in debt to the firm, and his property seems to have ultimately been foreclosed by the Sydney agents of Campbell's Indian creditors.¹⁷ Campbell was on better terms with Governor Bligh, and with Palmer formed part of a Government House clique during Bligh's eighteen month governorship. Bligh got rid of that gossipy old rattle John Harris, as Naval Officer - the equivalent of Collector of Customs and controller of the port - and put Campbell in his place, so that the two offices most concerned with trade were held by two of the colony's biggest traders.

This attracted unfavourable comment, which only grew more heated when it was realised that in addition to the drunken Deputy Judge Advocate Atkins, Bligh had as a legal advisor the disbarred lawyer George Crossley, a notorious swindler who had contrived profitable frauds while still under sentence.¹⁸

Mitchell M/film FM4/1141.

16. Cf. John Grant's Journal for King's coolness to Campbell, / King may have resented Campbell's large affairs because he feared the effects of this competition on the Enderby's transactions in which he was financially interested, cf. Steven (Campbell), p. 130.
17. Cf. land transactions re Woolloomooloo and 'the Surry hills' in the Riley Papers (Norton Smith Collection), Mitchell MSS.
18. For the Crossley affair, which also involved Robert Campbell in a rather equivocal way see Appeals Court Case Papers, Crossley v Wentworth, N.S.W. Archives 4/6607, Dixon Library MSS Add 136, and H.R.A. I, iv, 351, 581-596 and relevant notes.

These two cronies of the Governor did not help to make Bligh the more respected, but more worrying to some traders was the fact that Crossley was one of the very few men in the colony with genuine legal knowledge and his chief rival, Michael Massey Robinson, formerly a close and valued advisor of Simeon Lord, was marooned on Norfolk Island. Atkins was also of great importance to the commercial community, in spite of his thirst, because of his role in the Civil Court. The emergence of this Government House set, and the Governor's harsh treatment of their commercial competitors helped to foster a climate of opinion favourable to Bligh's desposition.¹⁹

Another pioneer commercial figure who had been sent to Sydney from India was William Tough. In June 1801 he established an agency for the house of Chace, Chinnery & Co. of Madras who were the owners (with Arthur Hogue of Madras) of the cargoes of the John and the Harrington, whose captain and part owner was William Campbell. Both vessels brought valuable cargoes although King would not allow the captain of the John to land spirits. In 1803 Tough returned to Madras to find that Chace, Chinnery & Co. had dissolved their connection with Hogue, and he was soon sent back to Sydney in the Harrington with a third investment. In June 1803 no less than £18,560 worth of merchandise remained unsold from the 1801 investments. In August 1804 some £4,302 worth of this had been sold and £9,000 worth had been shipped on the Harrington in the hope of selling it in South America. Tough had also £4,724 worth of sugar left from the cargo brought in the Harrington's

19. For a description of a confrontation with the Governor's clique see Alexander Berry's narrative in the extract in Hainsworth (Builders), pp. 42-43.

second voyage. This gave him £10,000 worth of merchandise in his warehouse at the time that Campbell was estimated to have almost £50,000 worth, and Simeon Lord and "other dealers" had stocks worth about £15,000.²⁰

Simeon Lord's principal role in the story of Australian commerce was played in the years 1800 to 1810. While he did not cease from trading in 1810 he had then many competitors as large or larger than himself, he was heavily embarrassed financially (as were most entrepreneurs who had survived from the King period), and a large share of his formidable energy had been diverted into manufacturing. I sought in Chapter Two to throw some light on the origins of his commercial career but his progress in the 1790s will always be wreathed in obscurity. From 1800 on his career is easier to trace. He was appointed official auctioneer by King in 1801 and it was established that the auctioneer should pay one and a half per cent of the total sale of any client to the Treasurer of the Orphan Fund. Between May 1801 and December 1802 Lord paid £52 14s 3d in accordance with this order which implies that he sold at auction about £3,514 worth of property, while at five per cent his commission must have garnered him some £700. This may seem a modest sum for a period of nineteen months, but it was about the same as Commissary John Palmer would have earned from his salary over the same period, and at £448 per year, Palmer's salary was second only to the Governor's among the civil officers.²¹ Moreover auctions were only a

20. H.R.A. I, v, note 33, also 106.

21. Ex Governor Phillip's allowance for "meritorious services" was only £613 13s 10¹/₄d. The Deputy Judge Advocate, probably the officer with heavier responsibilities than any in the colony only received £224 and this was double the salary of the Provost Marshall! H.R.A. I, iii, 107-108.

fraction of his business. Goods from vessels were not sold at auction in the King period unless the market was very bad and the captain desperate, or in order to get rid of the last dregs of an investment long on hand.

Normally Lord sold on commission for the captain, taking a portion of the cargo himself, and selling the rest to other traders. It is not possible to determine exactly how many ships' captains employed Lord as their agent but he was involved in some capacity or other with the masters of at least thirty five vessels between 1800 and 1807. For most of these he acted as

22

captain's agent. How useful Lord could be and how little Sydney's commerce was officer-dominated is well illustrated by the recollections of one of these captains:

Having entered my ship and cargo I was called upon by Mr. Lord, a merchant of the place who offered me his assistance to dispose of my goods. This I accepted and a most excellent Honest man I found him to be. The settlement was in want of everything I had on board, but two ships were daily expected from Calcutta - one the Buffalo ... which had been sent to Bengal for Government supplies; the other my old brig the Harrington The Government of the Buffalo between them had the majority of the settlement in their debt for former supplies, and the House of Campbell had almost all the remainder. On account of these liabilities I soon found that the people were restrained from making large purchases from me, for fear of bringing the law upon them for what they owed

Captain Eastwick of the Betsy soon found that even with Lord as a pilot he was steering in treacherous waters, because those best able to buy his wares were also officials who were quite ready to presume on their positions.

22. This does not include the twelve vessels which Lord is known to have partly owned or had a financial interest in or such prizes as the Estremina and the Swift which he sold on behalf of the captors. (Based on a variety of sources, including after 1803 the Sydney Gazette, and a list of vessels on which James Underwood's yard did work during 1806 and 1807 on Lord's instructions and for which he billed Lord, cf. Lord v Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2283).

His account of Jamison, "an extensive merchant", and Palmer, "a very needy man and yet most reckless and extravagant ... in his dealings ... deep sunk in debt" were shrewd and unflattering. He was to be involved in law suits with both before he left Sydney, John Palmer appealing to the Governor in a document in which he foolishly referred to himself as "John Palmer, merchant" in one part and "John Palmer, Commissary" in another. Eastwick won both law suits, and in spite of his difficulties seems to have made a successful voyage - a success which caused him to remember Lord with gratitude over a span of many years.²³

We have no records of the sale of Eastwick's cargo but do have a very full record of the cargo of the City of Edinburgh which Alexander Berry brought to Sydney shortly before the overthrow of Governor Bligh. Lord seems to have sold £15,003 worth of goods for Berry but detailed records only exist for a total of £11,894 4s 0d worth which was bought by 162 customers. Of this sixty one per cent was spent by only 26 customers, all of whom spent £100 or more. By far the biggest customer was Lord himself with £1,235 8s 10d. The remaining twenty five included officers, officials and ex-officers, emancipist and free settler entrepreneurs. Of the remaining customers twenty nine bought less than £5 worth of goods, and of these ten spent less than a pound, but we must regard all these petty transactions as wholesale for there was no variation in price between large or small quantities. The sale of the cargo is particularly interesting because it must have been the

23. E. Compton, (Ed.) A Master Mariner: Being the Life and Adventures of Captain Robert William Eastwick (London 1891), 185 ff. Lord's fame was widespread quite early. In 1804 Captain Mertho, Ocean, left £200 and paper worth £7,000 with Lord while at the fishery which he would not have done but for "the character I had heard of Mr. Lord in England", Lord v Nicholls, Court of Civil Jurisdiction, Proceedings, 1804, N.S.W. Archives 1098.

first to be held by a "rebel" following the overthrow of Bligh. Proof of excessive profiteering is hard to come by. The cargo contained 2066½ gallons of brandy and rum, the prime cost of which had been five shillings a gallon. This Lord sold for thirteen shillings and six pence a gallon. There were also 1,645 gallons of Cape brandy prime cost two shillings and ten pence, which were sold at eight shillings, and 19,140 gallons of Cape wine, prime cost about three shillings a gallon also sold at eight shillings a gallon. Since the wine and spirits were among the most desired part of the cargo, these prices do not seem outrageous. Rather more than half the types of merchandise sold for advances of no more than 100 per cent. (This is in no sense a net profit, of course.) The largest price advance was for dried fruit, more than 400 per cent.

Further accounts show the kind of service Lord supplied his clients. Berry became Lord's debtor for the sum of £1,818 16s 1d between January and November 1809. Half of this was for "sundries" supplied to the City of Edinburgh, much of the remainder was for notes signed by Berry or by the ship's captain, Pattinson, drawing on Lord. Many of these were drawn during 1808 but were not presented until 1809. Berry also bought seventy five whale's teeth for sandalwood trading at Fiji.²⁴

Berry's biggest customer was Lord himself, and this was no doubt true of many cargoes that Lord handled on commission. Lord dealt wholesale himself, but at least a portion of the goods he sold were retailed through

24. The papers concerning this transaction with much else concerning the voyage of the City of Edinburgh are in Equity Court Papers, Shortt v Berry, N.S.W. Archives. See also Appendix E.

middlemen in his employ. Indeed it is possible that he copied the technique originally employed by the officers of the Corps. In 1802 Thomas Andrews agreed to retail goods for Lord at prices fixed by the latter. Andrews was to keep a strict account of sales which he was to submit each evening except Sunday, and to hand over all money or currency weekly. He had to keep the premises, which were Lord's, in good order and repair at his own expense, and as recompense for all these efforts received seven and a half per cent commission on sales.²⁵ Lord seems to have had agents at out stations at all times, at the Hawkesbury for example and on Norfolk Island. In May 1801 Lieut. Governor Foveaux reported that, acting on King's instructions, he had shipped pork owned by Simeon Lord on the Government vessel Norfolk. No doubt this pork had been received in barter for merchandise sent from Sydney. James Mitchell, the lapsed Tahitian missionary who decided he preferred Lord's service to his Maker's, was his agent.²⁶ After Foveaux's departure Lord's links with Norfolk grew all the tighter. Not only was the acting Lieut. Governor, Piper, a client of Lord's, but he was quite prepared to serve Lord's interests by defying the Governor's instructions. Liquor was landed illicitly, and Lord's banished legal advisor and assistant, Michael Massey Robinson, was returned to Sydney, a violation of orders so flagrant as to imperil Piper's career. From 1804 Lord had a local partner on Norfolk - Assistant Surgeon Darcy Wentworth.

25. S.C.P. Bundle 30 Item 26 N.S.W. Archives 1113.

26. William Shelly found "Mr. Mitchell ... was also here on business for Simeon Lord" when on passage to Sydney from Tahiti in 1801, Missionary Records, B.T. Box 49, pp. 161-2, Mitchell Library.

Retailing was carried on through Mitchell, through Dr Redfern or through Wentworth's own agent on the island, Connellan.²⁷

After his return to the colony in 1805 John Macarthur was deeply involved in a wide variety of enterprises, some of which are examined in later chapters. Macarthur has interested all writers on Australian history because of his political activities, and because of his labours as a flock master. Surprisingly his role in other enterprises has not been analysed and this is a pity for closer study of it throws considerable light on the development of Sydney as a commercial centre. As an importer Macarthur was not a competitor of Lord's on his first return and indeed they had extensive dealings. The cargo of the Harrington, however, was a different matter, for it arrived in Sydney shortly after Bligh's deposition and while Lord was still disposing of the large consignment by Alexander Berry's City of Edinburgh. The cargo which consisted chiefly of tea, textiles, china, etc, was sold to rather fewer customers than was the City of Edinburgh's cargo: 147 to 162. The individual purchases tended to be larger; forty four customers spent more than £100, of whom the eight largest were: William and Richard Blackmore, £762, Field £591, John Macarthur £581, Elizabeth Driver £567, Fitzgerald £534, Lewin £459, Charles Tompson £434, Andrew Thompson £408. (Substantial though these purchases were, none of them approached Lord's £1,235 worth from Berry. Lord also took £226 worth of this investment.)

27. Lord acted as Piper's agent from 1802 to 1811, supplying goods, honouring bills, even paying Piper's income tax one year, and his race course subscription. The running account amounted to £1,965, Piper Papers Vol. I, pp. 17-24, Mitchell MSS A254. Re Lord, Piper and Robinson, cf. "Michael M. Robinson", Mitchell MSS A1939. See also Chapters Three and Four. For Lord-Wentworth partnership, cf. Lord v W.C. Wentworth et anors. executors, Equity Court Papers.

On the other hand, in contrast to Lord's customers, only nine spent less than £5 and none less than £1. Macarthur's clients included a substantial number of officers and N.C.O.s of the New South Wales Corps, including at least a dozen among the forty four biggest customers. Only sixty nine (twenty nine per cent) out of 232 customers bought from both investments, but all 232 customers bought at wholesale prices. This perhaps gives some indication of the size of the Sydney market for wholesale purchase in 1808. By studying the names of the larger customers of the controllers of these two cargoes we can obtain a reasonably comprehensive list of the colony's dealers in 1808.²⁸ As with Lord's cargo the sale of the Harrington's is of particular interest because it was sold at a time when the sellers were largely in control of the colony and were completely safe from official interference. How profitable then was the Harrington venture?

Although the main bulk of the cargo was that bought by Campbell for £4,000, the cargo also included a smaller investment purchased by Davidson with funds supplied him by Macarthur (a letter of credit, probably on Baring, for £1,500) and Jamison (Treasury bills for £1,300). The total cost of the Harrington investment to Macarthur, Blaxcell and Jamison was therefore £4,000 plus the 75 per cent advance of £3,000 plus £59 14s 2d landing expenses plus £211 11s 0d duties equals £7,272 5s 2d to which we must add £2,580 2s 6d, for prime cost of Davidson's investment, £64 for sheep and wine plus £37 for landing expenses plus £150 8s 0d duty equals £2,831 10s 6d giving a grand total to the partners for both parts of the investment of £10,103 15s 8d.

28. See Appendix E. For the accounts of the Harrington cargo's sales see Equity Court Papers, Campbell v Macarthur 1819, N.S.W. Archives.

To this should be added the cost of freight of Davidson's investment in the Harrington to Sydney which in one account is given as £283 5s 0d. (In another account it was omitted, perhaps inadvertantly.) With this added there is a grand total of £10,387 0s 8d. Blaxcell sold the cargo, charging the partnership five per cent, but in fact the cargo went only slowly during the rest of 1808. By the time Macarthur quit the colony in March 1809 Blaxcell had realised £16,641 4s 3d.

A later account, undated but some time in 1810 and undoubtedly winding up the sales shows a total sale from March 1809 onwards of £5,680, giving a grand total of £22,321 4s 3d, or, with Blaxcell's fee deducted, about £21,205, a figure the partners apparently found disappointing. In a rather desperate attempt to get rid of outstanding stock a portion of the cargo was carried to Rio by Macarthur who sold it to a firm which promptly lapsed into bankruptcy and the partners seem to have recovered nothing. They also lost the freight to Rio. A profit of about £10,000 on an investment of about £10,000 might seem handsome enough particularly when it is recalled that the partners had only hazarded the £2,800 handed to Davidson in December 1806 - only £1,300 of which was in Treasury bills.

On the other hand it took months to complete the sales (which may well have included substantial bad debts), and at all events it is interesting to observe that 100 per cent was all that the three partners, all prominent rebels, were able to realise on a valuable Canton cargo, and this with the colony virtually under their control. Along with a fascinating glimpse of the Sydney commercial scene in 1808-9 (and as already suggested, a possible motivation for Macarthur's conduct in January 1808), the story of the

Harrington investment convincingly demonstrates that under any governor, whether King, Bligh or Johnston, an over-abundance of goods in the market meant slow sales and moderate profits. The grandiose China-India scheme described in Chapter Four would not have succeeded even if Davidson had had the necessary funds for his projected Calcutta expedition. It would have failed because the merchandise thus brought to Sydney could not have been sold rapidly enough, or rather converted into sterling bills rapidly enough. In the event Macarthur lost interest in New South Wales commerce between January 1808 and his departure from Sydney. Unluckily for him it briefly revived during his long exile in London.²⁹

* * *

The "revolution" in 1808 led to no great revolution in Sydney's commercial scene. Rather the period of Johnston's administration, and then of Foveaux and Paterson who followed him, was an uneasy pause before the storm and stress of the first years of Macquarie. Garnham Blaxcell perhaps spread his wings a little wider with his new partner William Campbell. Robert Campbell and John Palmer naturally found circumstances under military rule less favourable than under Bligh. Lord had severed his connection with Kable and Underwood and was about to enter on a massive series of law suits with them, with Plummer & Co. and with others which occupied him until the closing of the Civil Court in 1814. After 1809 Plummer's were sequestrating his seal skins as they arrived in England, and the Fiji sandalwood trade was declining, so he turned increasingly to manufacturing to fill his ware-rooms. The Blaxlands were never greatly

29. See below p. 159.

involved in overseas trade - their partnership with Lord was purely pastoral.³⁰

Henry Kable was descending into the financial debacle which condemned him to a long-lived rural obscurity. (Lord was awarded £12,000 against him but the illiterate ex-convict had been cunning enough to transfer most of his property to his son, and for Lord it proved an empty victory.) Joseph Underwood was only just entering on his highly successful mercantile career. His brother James, his shipbuilding days behind him, his distilling glories more than a decade away, was not a potent force in the commercial community. During the interregnum he appears to have been struggling to dispose of a cargo brought on the second voyage of the Sydney Cove on a market already overstocked by Berry, William Campbell and others. The London house which supplied the cargo went bankrupt and the assignees of their assets sued Kable and Underwood for £13,000 but were only awarded a fraction of that sum in the colonial court.³¹

The trader rebels, who had been hostile competitors until Bligh's general hostility drove them to unite, fell apart as soon as their common enemy was gone. We find Macarthur, Blaxcell, Jamison with some officers in one clique, Lord and the Blaxlands the focus of another. Only a Bligh could possibly have persuaded them to march shoulder to shoulder in common cause. After March 1809 Macarthur and Jamison were gone and Johnston with them. Foveaux was favourable to Lord for reasons which are obscure, but

30. Cf. Blaxland v Blaxland, Equity Court Papers, N.S.W. Archives.

31. Cf. Appeals Court Case Papers, Kable v Lord, N.S.W. Archives 4/6609. For Underwood cf. Assignees of Bull, Banks & Bryson v Kable & Underwood, 1813, Court of Civil Jurisdiction, Proceedings, Vol. 11, N.S.W. Archives 1109. (The attempts of English litigants to recover interest on money owed as well as the principal were normally unsuccessful.)

Lord was in no position to take advantage of the situation. He, like others, was beginning to feel the first chill draught of the severe depression which smote the colony after 1810.

During Macquarie's governorship the Sydney commercial community encountered many problems. The worst was the problem of depression which lingered at least until 1816, and which was only made worse and more prolonged by the problem of a chaotic circulating medium; the problem of sterling shortage owing to droughts, and imports of produce; and the problem of depression in the export trade created by the Governor's spirit policy. In spite of these difficulties it was possible for traders to make a reasonable living but only if they obeyed certain rules and only if they were prepared to achieve affluence slowly. During these years there gradually emerged a new group of traders, rather more specialised than the pioneers. We also detect the increasing popularity of alternative employments for capital, notably manufacturing, processing and contracting, and, of course, the pastoral industry. These last and the depression in the export trade are outside the scope of this chapter. The problem of the depression and its consequences must be considered.

The depression which afflicted the colony's mercantile community was partly the result of over-ambitious and ill-judged schemes in Port Jackson, and partly the result of commercial disasters abroad. There had been a hint of things to come in 1808. The Jefferson Embargo Act of 1807 had severely hit the seal skin market in England by curtailing the demand for English hats. It was this setback which led to Simeon Lord's withdrawal from the London market and his long drawn out battle with Plummer & Co.

It also ruined Macarthur's hopes of good prices for his skins by the Dart, which in the event proved a losing venture.³²

This episode clearly demonstrated how vulnerable the Sydney entrepreneurs were to distant events beyond their control. The Napoleonic 'continental system', the long blockade of the European coast and the dislocation of trade, the privateering of the French and after 1812 the Americans, with the terribly high wartime insurance premiums, all exerted pressure on British and Indian merchant houses which were all the harder felt for being so prolonged. From 1810-12 there was a marked collapse of fiscal confidence which led to a panic whose backwash brought severe tribulations to the Sydney market. There was a contraction of the number of merchant houses in India once the London contagion spread there, although unhappily, this did not halt the flow of India goods to New South Wales. As Dr Steven has written: "Viewed from the rather exposed position of the Sydney merchants in the early 1810s, the future of colonial commerce looked bleak." It is impossible to quarrel with her judgment that no historian can hope to interpret the Macquarie period, without taking account of the depressed state of commerce during the opening years.³³

This depression was all the more serious for Port Jackson traders because the usurper governors had been hesitant to issue Treasury bills, and the quantity of sterling notes in circulation had fallen very low. This made it difficult to remit sterling to England and indebtedness mounted.

32. See Chapter Nine below.

33. Cf. M.J.E. Steven, "The Changing Pattern of Commerce in New South Wales", recently reprinted in Abbott & Nairn, (Growth), Chapter 10. For a detailed analysis of the causes of the depression see T.G. Parsons "Governor Macquarie and the Economic Crisis in New South Wales", The New Zealand Journal of History, Vol. 2 No. 2, Oct 1968.

This would have mattered less if they had been able to send valuable consignments of seal skins and oil as in the palmy days from 1806-08 but in fact the London market was depressed and high duties had been imposed on colonial imports. The traders could bear their own indebtedness with fortitude; their problem was if they could not lay hands on Treasury bills neither could their customers lay hands on Store receipts. Every trader had a long list of bad debts.

Macquarie's arrival was all the more welcome because Government expenditure would rise, and the quantity of sterling in circulation increase. The replacement of the New South Wales Corps with the 73rd Regiment reduced the number of traders, and brought more mouths and fresh custom. These advantages experienced in 1810 could not stave off depression. One of the most important reasons for the stagnation of trade was a glutted market. The reasons for the glut include the irresponsibility of Calcutta merchants who exported goods to Sydney without taking any account of possible demand. Another reason was the propensity for Sydney traders heavily in debt from one speculation to engage in another in the hope that the returns from the second would serve to restrain the creditors from the first. This "robbing Peter to pay Paul approach" to commerce, though understandable, and even during periods of boom, not unreasonable, leads to disaster in periods of prolonged recession. Garnham Blaxcell is a conspicuous example of a man trying to trade his way out of trouble. His financial collapse, clandestine escape from the colony, and pauper's grave at Batavia are dramatic evidence of the hazards of Sydney commercial life in the Macquarie era.³⁴

34. Blaxcell's decline can be traced in a variety of sources, but notably in the Oxley Papers No. 43 & 52, Mitchell MSS A5322; the Riley Papers (scattered references), and in such court cases as Campbell v Macarthur, Equity Court Papers, N.S.W. Archives, and in James v Blaxcell, Court of Civil Jurisdiction, Proceedings, Vols. 11 & 12, and Case Papers, N.S.W. Archives 1109, 1110 & 2286 respectively. For the death of Mitchell MSS A860 p. 180. For gradual liquidation of his assets, 1812-15, cf. R. of A., Vol. VI Nos. 1344, 1385-6, 1426-8, 1441, Mitchell MSS A3613.

Robert Campbell, much against his will, was sent to England to testify in the Johnston affair, but it is unlikely his presence in Sydney would have staved off a disaster, which involved both the Calcutta house and his London agent. Charles Hook, his partner and agent, struggled against increasingly hopeless odds to prevent the collapse of the port's most distinguished firm. It was all in vain, and his letters to England and India, providentially preserved, provide us with a vivid and eloquent commentary on the depression. Alexander Riley's letters are less gloomy but he was a newcomer engaged in seeking wealth, rather than striving to keep hungry creditors satisfied.³⁵

The depression was not only severe, it was prolonged. Certainly it briefly eased from time to time, but from 1811 to at least 1816 woe to the trader committed to unsuitable cargoes, or burdened by debts, or who received goods only in time of glut, or tried to trade himself out of bankruptcy. In late 1810 the market was glutted, after a brief shortage of sugar and tea, by the arrivals of three ships. Between then and October 1811 the influx of goods "well adapted to the market, had been immense. Of spirits alone ... there is no less than 60,000 gallons now in the Market." The importers of many of these cargoes had been driven to sell at auction. Those who had not still had their wares on their hands. So reported Alexander Riley in 1812 and added:

The Merchants of India must surely imagine the Consumption and resources of this Colony to be inexhaustible or they would never so madly adventure their Property ... exclusive of what we may daily expect ... it is calculated there are 8,000 bags [of sugar] in the Colony or two and a half years supply for the Territory!³⁶

35. For Campbell see his agent Charles Hook's increasingly anguished letters, Hook Letter Book (Photocopy) Mitchell MSS (Unsat.) 109. The Riley letters are distributed in the Riley Papers, Mitchell MSS A107, A108 and Safe 1/50.

36. Riley Papers Safe 1/50, p. 83, see also Hook, *op. cit.*, pp. 63-64, 71.

In June 1813 the market was once more glutted, and commerce generally at a standstill. The market had received heavy investments from India in 1812. One India captain had been left with 36,000 worth of goods after offering them at prime cost at first three, then six, finally nine months credit - in vain, for no trader would venture. Indeed it was alleged that more cargoes came to Port Jackson during 1811-1812 than at any time during the previous ten years.³⁷ In the face of this over-abundance Macquarie's permitting vessels to land cargo at Hobart before coming on to Sydney in 1813 provided welcome but insubstantial relief. The market was slowly beginning to settle down when consumer demand was hard hit by crop failure caused by a drought which lasted until 1815. With prices soaring Macquarie sent to Bengal for grain. The settlement lost 5,000 sheep and 3,000 cattle, and the diminished market contracted further in 1814 when the understrength 46th Regiment relieved the 73rd. Wrote Oxley in February 1814: "Commerce and credit are entirely [or] almost entirely annihilated and I am sorry to say there is no prospect of affairs taking a turn for the better." Michael Hayes, a dealer heavily embarrassed by bad debts reported in May: "... material depressions have taken place here lately. Several mercantile houses are in a State of Bankruptcy."³⁸

The depression continued worse than even, and the ending of the Hospital contractors' spirit privilege in January 1815 can have done little to relieve it. This was the period in which India houses began to pursue

37. Riley Papers Safe 1/50, p. 27; Hook, op. cit., p. 126.

38. Oxley Papers, No. 43, p. 19. Mitchell MSS A5322; Michael Hayes Letters, pp. 5-6, Mitchell MSS (Photocopy) A3586.

increasingly restrictive policies towards their Sydney creditors. Campbell & Co. were gone, John Palmer, his debts to Campbell taken over by Campbell's creditors, being swept away in the general debacle. Blaxcell was sinking, his partner William Campbell in the toils. Alexander Riley was able to hold his own because he was not heavily in debt, and because he was an assiduous businessman, proud of his professionalism. Moreover he had joined in 1814 a partnership with Richard Jones and William Walker, both agents for India houses and possessed of capital and credit.

Simeon Lord, to whom litigation was the carrying on of enterprise by other means, was still waging a desperate rear guard action against his Calcutta and London creditors until the closing of the Civil Court slammed the door in their faces. Increasingly he relied on auctioneering and small scale trading to supplement his remarkable manufacturing enterprises.³⁹

One trader who was finally cured of commercial ambitions in this dismal period was John Macarthur. In association with Hannibal Macarthur he sent two cargoes in 1812 and 1813, one of which included a disastrously large consignment of wine which found a glutted market. The Macarthurs and the London company involved with them suffered a severe reverse. Macarthur himself seemed unable to grasp that Sydney's market was no longer as he had known it in earlier days, and blamed the losses on Hannibal's selling on credit instead of waiting for a better market.

In justification of this he says 'everybody trusts' - I knew it - I knew it before he left here, and I told him trusting had been the ruin of Campbell, and has caused the failure of every man that had adventured to the Colony. When he wants money to remit it is very scarce - it will always be so to people who trust, for be assured the retail Traders will always keep back money enough to go to Market with.⁴⁰

39. Riley's triumphant "Lord as a merchant is utterly gone. Verdicts to large amounts are against him" proved premature in its broader sense. Lord's enterprises long survived the Riley brothers.

40. John to Elizabeth Macarthur, Dec 1814, Macarthur Papers Vol. II, pp. 233-234, Mitchell MSS A2898.

These misconceptions of the true state of the market led Macarthur to entrust a more modest cargo to Elizabeth in 1815. There was to be "no credit", but cash sales if it took three years. The money invested, if it only returned fifty per cent, would return seventeen and a half per cent per year. Alas for this sophisticated reasoning! Late in 1816 he learned the venture had fared badly and declared: "It is ... the last mercantile project in which I will ever try my fortune." As late as September 1818, with the Sydney scene now under his eye, Macarthur wrote Davidson in Macao, that he considered the prospects and funds of the Colony so uncertain that not even Davidson's offers of support and assistance could tempt him to engage in any adventure. "Would to God I had always entertained the same sentiments!"⁴¹

The market's ups and downs are revealed by John Oxley's report in December 1816 that the market was glutted with British and India goods, provisions were ample and prices low. Another trader observed that the fact that the civil and military were supplied with spirits brought out on transports on low or no freight made for slow sales. Birnie's had 20,000 gallons of rum in their warehouse and there were 30,000 gallons of rum, brandy and gin in the bonded store waiting the payment of duty. For lack of an export market the colony was drained of sterling. The spirit market was no better in August 1817, indeed heavy importations had depressed it further. Birnie was trying to sell his West India rum at five shillings a gallon.⁴²

41. Macarthur Papers, Vol. I, pp. 22 ff, Mitchell MSS A2897.

42. Hayes Letters, p. 6 Mitchell MSS A3586. The rum at 5/- was excluding the 7/- duty, Chisholm to Burton, Aug 1817, Chisholm Papers, Vol. I, p. 2, Mitchell MSS A4011.

Significantly these evils had spread to labour, normally in short supply. In December 1817 it was estimated one third of the convicts who would normally have part-time jobs were unemployed. The spirit market, so often a barometer of commercial prosperity, had recovered by mid 1818 in spite of a rise in duty, and good Bengal rum was scarce, but Richard Jones, who left the colony earlier in the year, said many English goods would scarcely bring prime cost, thanks to glutted warehouses.⁴³ In brief, then, the Sydney market was very depressed until 1815, only slowly recovered thereafter and indeed throughout the remaining years of Macquarie's government was full of pitfalls for the unwary speculator.

What influence did Macquarie's policies have upon this depression? His spirits and currency policies were examined in Chapter Three. Of more interest to traders was his expenditure of sterling, for the Store was still the great source of foreign exchange. Although Macquarie was not rigidly committed to economy as King had been throughout his governorship there are continual references to the great dearth of cash or Treasury bills.⁴⁴ In 1810 the Store was badly depleted thanks to floods in 1809. As a result Macquarie seems to have distrusted the reliability of colonial harvests. In 1809 Paterson had contracted for a delivery of Calcutta wheat, rice, etc, and this arrived in January 1810 on the day Macquarie had decided to reduce the ration. In April and June 1810 Macquarie contracted with Simeon Lord

43. Chisholm, op. cit., p. 4 and Richard Jones' evidence, Report on the Gaols (1819), p. 148.

44. The departure of the Corps and its replacement by a less mercantile-minded regiment, the 73rd, may have reduced the number of Paymaster's bills in circulation, though its Paymaster, Birch, formed a pastoral partnership with Ellis Bent in 1810, Letters of Ellis Bent, pp. 211-212, Mitchell M/film; the replacement of the 73rd by the 46th only exacerbated the situation since the latter was under strength.

and Francis Williams for importations of wheat, spirits and sugar from Calcutta. The spirits and sugar arrived in October 1811 but at least one consignment of wheat seems to have been lost at sea. In that month Macquarie was optimistic about the coming harvest but had still deemed it necessary to order "a moderate quantity" of Bengal wheat.⁴⁵

Macquarie's optimism was, taking the long view, not justified. The commercial depression of the early Macquarie years was all the darker because it coincided with a period of distress for agriculturalists and graziers. In 1810 the Governor had promised that he would use the Store to give "every proper and liberal encouragement" to the farmers. Many farmers felt this promise was broken when the Store was closed against grain in December 1812.⁴⁶ Grain was thus forced onto the private market where prices were as low as 3s 6d a bushel, and worse still, could only be paid in currency. Most annoying of all, the acting Commissary, Broughton, did not have a full storehouse when he closed. He had 11,000 bushels in store which he wished to consume before buying a new supply. This may have suited his administrative convenience but did not help the farmer who lacked not merely sterling notes to pay the merchants, but any storehouse in which to lodge his grain. The merchants were indirectly affected because the farmers were unable to settle their debts with Store receipts. However, the Store's restrictive policy could hurt them more directly.

45. H.R.A. I, vii, 167, 220, 275, 396. For the Lord wheat contracts cf. Cripps v Lord & Williams, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2282 and Lord to Macquarie, C.S.I.L. 1810 pp. 32-33, 137-139 and 1811 pp. 40-41 N.S.W. Archives 4/1726 and 1727 respectively.

46. The criticisms of Macquarie's Store policy I have published already in Abbott & Nairn, (Growth), p. 279. The close links between the commercial and agricultural depressions has been explored in more detail by Parsons, op. cit., pp. 184 ff.

In July 1812 Broughton refused to accept wheat from Blaxcell on grounds that they had received a large quantity from the farmers already, and that he was not permitted to receive wheat from "the merchants of Sydney" until the wheat supplied by the farmers had first been consumed. Blaxcell was desperate because he had to meet large claims for duty on Newcastle coal and imported goods which he could not pay because he had had to sell those goods for wheat. He offered to store the wheat for Government in premises to which only Commissariat officers should have access if the Store was full. His pleas were in vain.⁴⁷ By the time the Store opened in July 1813 wheat was now in short supply and the previous month, June, there had only been enough grain left for seven weeks' rations. There was a poor response to the Governor's call for wheat on 2 July.

The new Deputy Commissary General, David Allen was slow to wake up to the emergency. When he did he was compelled to accept a tender from Blaxcell for the supply of 3,500 daily rations of bread for five months at 3½d a pound from 1 September. One can imagine what Governor King's opinion of such extravagance would have been, but the bread was needed because of the Government's lack of foresight.⁴⁸ By the spring of 1813 the price was soaring because of the scarcity, for there were only 21,000 bushels of wheat in a colony with a population of 12,000 or more. While this was not quite as black as it seemed for it took no account of the supply of maize, staple fare of the labouring class, it nevertheless forced the price of wheat from 6s 3d in May 1813 to 28s in September and maize rose during the same period

47. B.T. Box 13, pp. 488-490 Mitchell Library.

48. B.T. Box 13 p. 626 Mitchell Library. Macquarie authorised the contract on the grounds that tenders from farmers had fallen far short of what was expected.

from 5s 6d to 15s a bushel. Mr Parsons' argument that "commercial depression was intensified by agricultural distress", and that much of the colony's difficulties can be traced to the decision to shut the Store against grain in 1812 is very persuasive - at least for the year 1813.⁴⁹

Later in the year, with the colony now gripped by drought, Macquarie blamed the farmers for a "most shameful" waste and destruction of grain when, as a critic has pointed out, "he had failed to take the only reasonable means of preventing it by buying it for Store at a fair price",⁵⁰ for as Macquarie well knew, the small farmers had no barns to store their surplus in. The drought and the high prices of grain persuaded Macquarie to send for 250 tons from Bengal which finally arrived in October 1814. The Store then closed against locally produced grain.

In January of 1814 he had increased the price which the Store would pay for wheat from eight shillings to ten shillings a bushel - a measure surely long overdue - and had had to go up to fifteen shillings by April. He admitted to Bathurst that eight shillings would not pay a farmer to bring the wheat to the Store and therefore he intended to raise the official price to ten shillings when the crisis was over. Thanks to the emergency increase to fifteen shillings he had succeeded in accumulating a six months' supply of wheat and the threat of famine receded. All this was prior to the arrival of the 250 tons from Bengal in October - at which time Macquarie complacently reported the drought over and the harvest prospects fair!

49. Parsons, op. cit., p. 186. As an example of Macquarie's inconsistency he cites his support for a colonial distillery as late as 28 Jun 1813 so that the settlers' surplus wheat would be consumed.

50. A.G.L. Shaw, The Story of Australia, London 1960, p. 47.

In June 1815 he decided to send to Bengal for grain because of the probable effect of continuing drought. A further 150 tons arrived from Bengal in March 1816.

In April 1816 Lieut. Governor Davey reported to Bathurst that Macquarie's Indian imports had deprived the Tasmanian settlers of a market for fifty thousand bushels of surplus wheat. In January 1817 Bathurst suggested Macquarie should import wheat from Tasmania rather than Bengal. In December Macquarie replied that notwithstanding any reports Bathurst might have had, all his importations from Bengal had been necessary to preserve the colony from famine; that they had not hindered colonial agriculture; and that they had had the salutary effect of keeping prices down by preventing large growers and "monopolisers" from charging exorbitant prices. Macquarie simply gives a flat rebuttal to any possible criticisms of his import policy. Of evidence in support he offers nothing.⁵¹ Dr William Bland, who was convicted of criminal libel against Macquarie on this issue and imprisoned for a year, claimed Macquarie had promised the farmers during his Hawkesbury tour of 1810 that Government would always purchase their wheat for from nine to ten shillings a bushel. This promise the Governor later broke and farmers were often constrained to sell their crops at a loss to dealers or feed it to their stock. When the Store ran low on grain in July 1813 there was none to buy because many settlers had turned their poultry and stock into the fields to consume the crop which it was uneconomic to bring to market. Bland also blamed Macquarie for persisting in opening the Store too late so that crops were destroyed by floods, and for reducing the prices of meat.

51. H.R.A. I, ix, 712, 882.

Some of Bland's allegations may be nonsense but certainly there is support for the view that one cause of the shortage of sterling bills was due to the Governor's commissariat policy. Alexander Riley testified that the condition of the settler had declined during the years previous to his departure from Sydney in December 1817. He attributed this to greater importations of grain from Bengal than ever before and the reduction in the price of meat from ninepence to sixpence a pound. He agreed with Bland that the Store opened and closed at the wrong times and complained bitterly of the decline in the value of cattle. His chief criticism was that Macquarie would not take maize when wheat was scarce, for he was convinced in spite of the drought the colony had grown enough grain for its needs if maize were added in.⁵² However the important thing is that Macquarie's policy did have the effect of restricting the amount of sterling in circulation. Moreover since traders were accustomed to take payment in wheat (always when selling to outer settlements) it was a serious matter for them to see the value of this "currency" suddenly depreciate because of heavy importations from India.

* * *

The Sydney market in the Macquarie era, particularly in the first five years, has been depicted in gloomy terms, but though the depression ended the careers of some, like Palmer, or turned them into other channels,

52. For Bland, Bigge Appendix, Petitions, Memorials & Complaints, M/film CO 201/131 Reel 118, pp. 107-168; for Riley, Report on the Gaols (1819). Between 1815 and 1822 147,265 bushels of wheat were imported 44,761 in 1820, so importations in Macquarie's later years were not very large, C.S.I.L. 1822 p. 29, N.S.W. Archives 4/1760.

as it turned Lord to manufacturing and Hannibal Macarthur to grazing, the circumspect could still trade profitably. This was particularly true for men who entered the market without a backlog of debts from the dark days of 1811 and 1812, like Roland Walpole Loane and Edward Smith Hall who formed a partnership in August 1813. The firm purchased goods from ships' captains or other local merchants, and their transactions during 1813-1814 can be tabulated thus:

<u>Date</u>	<u>Ship</u>	<u>Price Paid</u>	<u>Price Sold</u>	<u>Profit</u>
Aug. 1813	<u>Fortune</u>	£1,435. 7. 3	£1,743.18. 1	£308.10.10
Oct. 1813	<u>Earl Spencer</u>	1,976. 9. 9	2,526.15. 9	550. 6. 0
Mar. 1814	<u>Spring</u>	1,428.18.11	1,291. 4. 2	[137.14. 9 loss]
1814	<u>Frederick</u>	1,420.13. 2	1,736. 7. 8	315.14. 6
Goods supplied by sundry individuals in Sydney during life of the partnership		4,186. 5.11	4,934. 1. 8	747.15. 9
Totals		£10,447.15. 0	£11,232. 7. 4	£1,922. 7. 1.

Thus the transactions showed an overall profit of 17 per cent, with a greater rate of profit on goods directly imported (in spite of the small loss on one consignment) - very naturally for the latter would combine both wholesalers' and retailers' profit.⁵³

Not only Loane and Hall contrived to enjoy a modest success. Other traders took their profits, at least on individual enterprises even if the sum of their transactions was often disappointing if no worse. Alexander Riley, whose letters to his brother Edward give such an illuminating picture of the Sydney commercial scene between 1811 and 1816, was a typical example.

53. Their costs included rental of a warehouse for two and a half years for £175. Loan and Hall v Berry Appeals Court Papers 1822, N.S.W. Archives 4/6610. Of course, 17 per cent compares very unfavourably with the returns of earlier days, e.g. the 100 per cent profit on the Harrington investment.

Although he had to sell goods in overstocked markets, with embarrassed debtors and sterling shortages, with the errors of his brother in Calcutta, and the extinction of his associate Blaxcell who was in his debt, he managed to avert disaster, snatching a profit, or at least covering costs, from apparently hopeless situations.⁵⁴ When Commissioner J.T. Bigge arrived in Sydney in 1819 he found several merchants, engaged in substantial enterprises and clearly prospering. However, with the exception of the Underwoods, and Robert Campbell - the latter still only at the bottom of the greasy pole of commercial success - none of them had been prominent in commerce prior to the Macquarie era.

During the period 1816-1821 trade gradually stabilised. Competition both within and without grew keener. A finer calculation of profit became necessary, and trade became a respectable, responsible and undramatic occupation, not a short cut to wealth by part-time traders with a nose for easy money. There gradually emerged what has been well described as "the humdrum routine of continuous calculation on an even volume of trading and profits."⁵⁵ Small scale individual operations persisted, but their share of the wholesale trade unquestionably declined. Bigge, taking evidence from the commercial community in 1821 found that the merchants bitterest complaints were against the masters of convict transports who brought cargoes virtually freight free, and seriously injured the London branch of the import trade. Convict ships were forbidden to carry cargo but the policy was not rigorously enforced and the transports were wont to call at Rio to refresh and pick up

54. See Riley references, footnote 35 above.

55. Steven in Nairn & Abbott, (Growth), p. 184.

cargoes. The small Sydney traders, certainly the Sydney retailer, would have had no objection to this, but to the specialised merchant, it represented serious competition. Such a complaint would never have been voiced in the King period, however, it is a symptom of the changed commercial world of Sydney.⁵⁶

In her interesting study of the depression and its aftermath Dr Steven contrasts the "old-style mercantile speculators" with the new more specialised, more professional traders who rise to prominence in the later years of Macquarie.⁵⁷ Like so much in this illuminating article this distinction is valuable and thought-provoking. However, it would be confusing to draw such a contrast so narrowly that men like the Underwoods and Simeon Lord, Thomas and Mary Reiby or even John Macarthur prior to 1809, should be classed as "amateurs", that is, taking amateur as the opposite of professional. It is certainly true that there were men whose prime interest was grazing who liked to dabble in commerce from time to time. There were also Government officials, men like William Broughton the commissary officer and even Captain Piper on Norfolk Island, who liked to supplement their salaries with an occasional speculation, usually taking a share under the indulgent wing of some full-time trader. (Examples of this would be Piper with Simeon Lord in the King period, Jamison the surgeon with John Macarthur in the Bligh period.) However in her study of colonial "enterprise" Dr Steven writes of a "new group" of "professional merchants" appearing "by 1800".⁵⁸ She even suggests that there was a

56. Riley to Bigge, 1821, M/film CO 129, Reel 117, K4.

57. Steven, Chapter 10, Abbott and Nairn (Growth).

58. Steven, op. cit., Chapter 7, p. 123.

professional expertise among the officers of the Corps. The development originally attributed to the later years of Macquarie seems to have been extended backward at least to the advent of King and by implication perhaps even further. This seems to blur a useful distinction, and confusion is worse confounded when later she observes "It was the age of the amateur!"⁵⁹

If by amateur we are to understand a man who comes to the colony, whether as free man or convict, without previous experience in trade and probably without much capital she is certainly right. However, it does not seem a useful distinction to draw. Where experience was acquired seems hardly to matter. Did Robert Campbell know more about commerce when he landed in Sydney in 1800 than Simeon Lord knew in say 1809? It may well be useful, however, to draw the distinction between the part-time trader like Jamison, Oxley, and the full-time trader, the professional, by which is meant the man who gains most of his living and devotes the greater part of his energy to the counting house like Campbell, Lord, Riley, Terry, the Underwoods, the Reibys and so on. The former category, as Dr Steven says, persisted in occasional speculations until well beyond our period, but they were no longer a significant element in the economic life of New South Wales.

An effective contrast between the declining part-time trader and the rising professional could be drawn between John Oxley and Edward Riley of Jones and Riley. Macquarie had forbidden trading by colonial officials but was often accused of not enforcing his own regulation. In order either to

59. Steven, Chapter 7, Abbott and Nairn (Growth), p. 133.

deceive the Governor or avoid embarrassing him Oxley operated through Garnham Blaxcell. However in June 1815 he wrote his Rio associate that Blaxcell was ruined and that in future letters could be addressed to him direct. He added: "... as I do not find it here considered a very Great Crime for the Civil Servant to be concerned in business I make no hesitation in engaging openly in any speculation that promises well " (his italics). But Oxley was an amateur and as John Macarthur, who would not accept him as a son-in-law, contemptuously remarked, he was "no more fit to make his way in the midst of the sharks among whom it will be his fate to live than he is qualified to be a Lord Chancellor." In 1815 he persuaded J.H. Bent to share in an investment from Calcutta, but five years later Bent wrote testily from England complaining that £400 had been lost on the venture and Oxley had not paid his share.⁶⁰

In contrast with such puny ventures we have Edward Riley's statement to Macquarie in 1821 that Jones & Riley had paid £10,000 in duty alone on their importations since the firm began business in 1817.⁶¹ The dominant merchants of 1821, Jones & Riley, Berry and Wollstonecraft, Robert Campbell Snr, MacVitie, Prosper de Mestre, Samuel Terry, Thomas Winder, James and Joseph Underwood, all owed their success and longevity to their close attention to the realities of the colonial market. Merchants had to fulfil certain conditions in order to succeed. This had been observed by Charles Hook when in the toils of Campbell's affairs in 1810-1812, and by that anxious scrutiniser of the market Alexander Riley.

60. Oxley Papers No. 43 p. 39, and for Bent p. 15, Mitchell MSS A5322⁻¹; for transcripts Hainsworth (Builders), pp. 70-71.

61. C.S.I.L. 1821 pp. 269-271 N.S.W. Archives 4/1748.

During the Macquarie period an importer had to have a cargo that was suited to the Sydney market, bought at a reasonable prime cost. "The Hunter's cargo was wretchedly assorted, and laid in at ... enormous prices" complains Hook in 1810. Some of the articles would never sell at any price and others only at fifty per cent below invoice price. In April 1811, however, he welcomed the Eagle because the prices and goods were suitable and he grossed £24,000 on a prime cost of £11,000.⁶² Riley's letters reinforce this: "... but why you sent Sugar, Tea, Wax, Wine and Shawls contrary to my indent ... (and omitted other Articles) to the amount of half the whole Invoice I will forbear to remark on ..." he complains bitterly to Edward in 1814.⁶³

Calcutta merchants, the chief suppliers in the first half of the Macquarie period, had grown accustomed to quick sales and swift remittances in earlier years. Now times had changed. The third condition of success was the readiness and ability to wait for slow returns and to operate on a smaller profit margin. Hook warned Calcutta that while the Eagle's cargo might have been realised in six months in earlier years, there were now regular consignments coming from the Cape, Rio, London to resident importers in addition to cargoes brought speculatively. He believed that two well chosen cargoes imported "at two regular periods of the year" might sell in eighteen to twenty months but even that slow pace would depend on how much sales were interrupted by the arrival of other cargoes.⁶⁴ Perhaps the

62. Hook Letter Book, pp. 28-29, 43, 125.

63. For a longer extract see Hainsworth (Builders), pp. 66-67.

64. Hook Letter Book, p. 49.

Calcutta merchants were also trying to trade their way out of trouble. Certainly Hook's wise advice did nothing to halt the flow. It was the alternating periods of glut and scarcity, especially after 1815, which thinned the "amateur traders". They extinguished Macarthur's commercial ambitions and ruined Blaxcell. Riley survived them, solvent but exhausted, leaving New South Wales with a pastoral vision his son and nephew were destined to fulfil.

The market though growing as more convicts were transported in the first years of peace, was nevertheless restricted. The pattern was that there would be a scarcity of some commodities. The news would spread. Ships would hastily load goods for Sydney at Rio, London, the Cape, Calcutta or Canton. Their arrival would send prices toppling. News of this would slowly travel back to the shippers and the flow would be cut off. Then within a matter of months there would be another scarcity.

This had also been the pattern in King's day, as is shown by the price of sugar and tea for example. The Sydney Gazette reported on 4 September 1803: "The price of sugar has again taken wing and its flight not likely to be arrested until an arrival clips the pinion." Sure enough the arrival of the Betsy's sugar in December brought "a sudden fall to one shilling per pound having before been as high as four shillings and then only granted by way of a favour", as the same source reported on 1 January 1804. By the following April King was reporting that by a recent arrival from India there was more than 400 tons of sugar in the colony, about three years consumption, and more was expected. It was selling for 6d a pound.⁶⁵

65. H.R.A. I, iv, 614-615. This was low as the prime cost in London, op. cit., p. 5.

Similarly in 1805:

The fluctuation in the price of articles ... has not for several years past been so [conspicuous] ... Teas which scarcely a twelve month since would have undergone rigid examination at 10 and 12s now pass muster from 24 to 30s [per pound].⁶⁶

Happily for tea drinkers the Sydney Gazette was able to report four months later that the Pitt's tea "reduced the price of a commodity to 10s a pound that had ... sold at 48s". Ellis Bent, Macquarie's new Deputy Judge Advocate reported in 1810 that

... almost all articles are here very dear or very cheap - for on account of the Colony being so great a distance from the Mother Country ... the Market is either overstocked ... or completely empty. For instance tea, which sometimes sells at 5 gns a lb & the next week the arrival of a China ship will reduce the price to as many shillings.⁶⁷

The skill of the Sydney merchant came, therefore, in calculating ahead; in estimating not merely how long it would be to the next scarcity, but also how long it would take for him to get a message to his agents and a consignment back. The agent in his turn must not merely scrutinise his clients instructions with care. He had to examine the manifests of other ships leaving for Port Jackson, or recently departed, to add their consignments to the complicated calculation. The conduct of an importing business was a dialogue between merchant in Port Jackson and agent-cum-merchant in London or Calcutta. The participants were not so much separated by distance as by time. It was this which made the merchant's task so difficult, and which called for intense professionalism and greater specialisation. As Hannibal Macarthur bitterly observed a man could be a merchant or a

66. Sydney Gazette, 15 Dec 1805.

67. From his letters to his mother, Feb 1810, p. 93, Mitchell M/film FM3/20.

a farmer but not both - and the land was more promising.⁶⁸ This helps to explain why men like Lord, Underwood and Winder chose to invest their capital in manufacturing or processing, and men like Marsden, the Macarthurs, later the Rileys, concentrated on the profits of grazing.

The field was largely left to the skilled specialist and although there would be periods of boom and depression ahead there can be no question that Sydney's commerce after 1821 was more stable and less dramatic.

68. Macarthur Papers, Vol. 5, p. 26 Mitchell MSS A2901.

PART THREE: IN SEARCH OF A STAPLE.

Chapter Six: The Need for Staples.

If your Excellency should be pleased to sanction the projected [sandalwood] voyage, it will be in the opinion of Your Memorialist of public service to this Infant Colony ... as a large Quantity of useful Articles would be imported, and no Capital or Principal would be drain'd from its resources but what would be again circulated here.

Simeon Lord to William Bligh, 1806.¹

In the years between 1800 and 1821 the traders of New South Wales were determined to find some export staple which would be valued in the three markets from which they chiefly derived their imported merchandise: London, Calcutta and Canton. There had been little serious attempt to find a staple up to the arrival of Governor King. The large volume of Treasury bills issued by Governor Hunter and the £40,000 or more of Paymaster's bills drawn by John Macarthur had paid for the imports. This perpetual drain of sterling notes (together with any small amounts of specie which might wander into the colony) was one of the reasons for the currency problems which we have examined. The colony could never become truly prosperous, nor economically independent of the Government Store, until a means had been found to replace Government bills with export staples. Had the colony ceased to be a prison a generation earlier than it did the commercial society of Sydney would have been extinguished. Therefore, until permanent staples were found, the colony - however apparently thriving - could never cease to be a penal settlement. In London the successive ministers were all concerned to see the costs of maintaining the prison fall. However,

1. C.S.I.L. 1806-1808, pp. 38 N.S.W. Archives 4/1721.

though conscious of the need for exports to replace Government bills, they did little to encourage the growth of exports and much to impede that growth: notably the high duties on colonial oil and the restrictions on shipping.

Although Governor King's determination to consolidate his position by a reputation for economy drove the traders to seek in the Pacific staples they were unable to find on the mainland, this proved to be a series of temporary expedients of only short term usefulness. Commissioner Bigge discovered at the close of the Macquarie period that the significance of the Government Store as a market for colonial produce and a source of foreign exchange was greater than ever. The heavy increase in the number of convicts transported after the end of the Napoleonic War had correspondingly increased the Government's demand for foodstuffs. This, Bigge reported, had retarded the growth of export industries by encouraging the growth of agriculture. "It is possible that with assistance judiciously extended, the settlers might have been led to turn their attention to the production of other objects than those that solely depended upon the demand of the Government", he wrote.² He meant of course products which could earn or serve as foreign exchange without the Government purchasing them.

Bigge's view was confirmed by Alexander Berry who wrote in 1823 that "since the Peace settlers had such a ready market for wheat they never

2. J.T. Bigge, Report on the Agriculture & Trade of New South Wales, 1823, p. 22. Significantly Bigge observed that even if they had the maritime regulations governing Anglo-Australian trade would probably have caused such efforts to fail and thereby discouraged others. He pointed to the very slow progress of the fine wool of the colony and declared that "capital, skill perseverance and personal exertion" were alike needed to produce a successful export staple for the colony and the great majority of settlers could not muster such qualities.

thought of cultivating any article for export."³ However, we must not accept too uncritically Edward Wollstonecraft's sweeping statement in 1826 that "it was not until the arrival of Sir Thomas Brisbane and the immediate curtailment of the Treasury Drafts to the sum of £80,000, that the merchants first saw the necessity of collecting and encouraging such articles of Export."⁴

Wollstonecraft ignores the fact that the founder-traders of Sydney had tried desperately to find effective staples over a period of fifteen years or more. Their struggle to obtain them, the problems they faced, the obstructions they scrambled over, all go to make the story of the sealing and sandalwood trades something of an epic. Although the traders, whatever their sporadic short term success, failed to find a longlived staple, their efforts repay detailed study. Such a study tells us much about their problems, their skills, their entrepreneurship. It concerns a very vital part of the trading history of the early colony and helps to make explicable how that colony emerged at all. We know now that in whale oil, in wool and in minerals the future lay. But none of these staples, not even wool, created the colony of New South Wales. Rather it was the colony, or the commercial community which developed in it, which created the wool trade. In that development the first quest for staples played an important part and we must now consider it.

3. Letter dated 16 Jan 1823, Berry Papers, Vol. 5, Mitchell MSS (Uncat.) 315.

4. H.R.A. I, xii, 509.

Chapter Seven: The Shipping Interest.

It is our royal will and pleasure that you do not on any account allow craft to be built for the use of private individuals....

Instructions to Governors Phillip, Hunter, King, Bligh and Macquarie, 1787, 1794, 1802, 1805, 1809.

... we have four vessels constantly whaling; six sealing; two employed as regular packets between Sydney and Newcastle; one between Sydney and Hobart Town ... several trading constantly between Sydney and Port Dalrymple; besides irregular traders to all these places, and a number of small craft coasting to the Hawkesbury, Illawarra and other points We have also a tolerably thriving trade with the South Sea Islands and New Zealand

Peter Cunningham, 1826.¹

In the history of New South Wales there have always been two frontiers - the interior and the ocean.² In the year 1800 the more enterprising settlers of New South Wales, whether officials or emancipists, found the oceanic frontier a more hopeful source of gain than the harsh and alien terrain at their backs. Nothing could more strikingly demonstrate how British these pioneers were than that when set down on the world's emptiest large land mass, they immediately began building boats. It was not, of course, illogical, although it was against the wishes of the home Government. The settlements needed ready communication if they were to survive let alone expand, and for this vessels of various sizes were needed. Above all

-
1. For Phillip's Instructions (which served as a model for the rest) H.R.N.S.W. i (Part 2), 91; Peter Cunningham, Two Years in New South Wales, London 1827, Vol. II, Letter XXII.
 2. J.M.R. Young, 'Australia's Pacific Frontier', Historical Studies, Australia and New Zealand, No. 47, Oct 1966, p. 373.

since export staples were needed, and needed at once, and the ocean was more likely to supply them rapidly than the land, ships must be built to exploit that ocean's possibilities. Before we can explore the search for staples, we must first consider the growth of the Sydney shipping interest which made that search possible. We can also learn much about this primitive entrepreneurial community from a study of its shipping interest - by which we mean those colonists who built or simply operated vessels ranging in size from the small craft of the Hawkesbury trade to the 185 ton three masted King George which pioneered colonial sealing, whaling and the Pacific Islands trade, and who also operated foreign built prizes and other large vessels registered abroad but which they owned, illegally and therefore clandestinely.

The first shipbuilders showed enterprise, courage and ingenuity. They had to invest labour and capital in yards and slipways, sail-lofts and sheds. There must always have been shortages of equipment and skilled labour. Even more formidable than building vessels from local materials in such conditions was the task of keeping them seaworthy year after year. Yet some of the larger vessels built in Sydney yards navigated the stormy waters of Bass Strait, the Tasman, and the islands and fiords of New Zealand. Fiji, Tahiti, the Marquesas witnessed the arrival of Sydney-built ships, while foreign-built ships, refitted and maintained by Sydney yards visited Canton, Calcutta, London and the North American ports. All this was achieved despite local shortages, the heavy toll of the sea, and the hostility of Whitehall, reiterating in every Governor's Instructions that colonists should not build vessels capable of navigating to ports within the East India Company's sphere of influence.

To harvest export staples from the Pacific and Australian coastal waters and to establish a colonial carrying trade with outlying settlements, the traders needed a large number of smaller craft. During the first twenty five years of the colony's growth we can trace the development of a ship building industry which rapidly became capable of launching vessels up to 200 tons burthen. The Governors' dispatches prove a muddy source for the investigator of this phenomenon. The Instructions to all Governors in this period were hostile to it and some of the regulations of the early Governors, and their reports to Whitehall, seem no more encouraging.³ In April 1791 Governor Phillip decreed that no boat more than fourteen feet long was to be built in the settlement without permit. In 1796 Governor Hunter, finding that several colonists were building boats for 'all comers', ordered that no boat should be built without official permission. All existing boats were to be registered. In 1797 he forbade the building of boats for private sale, and insisted that all boats capable of navigating to the Hawkesbury settlements should be regularly inspected. Boats left with sails or oars aboard would be scuttled.⁴ Not long after Hunter refused to permit Norfolk Island settlers to build a boat to navigate between the island and Sydney, commenting that Sydney's 'rage for traffic' had

-
3. Governor Phillip's Instructions, dated Apr 1787, stated that the Government wished to prevent all intercourse between the projected New South Wales settlements and the East India Company's settlements, and China and the East Indies and that Phillip was "not on any account (to) allow craft of any sort to be built for the use of private individuals which might enable them to effect such an intercourse...", H.R.A. I, i, 15. The same phrase occurred in Hunter's Instructions in Jun 1794 and in King's in Feb 1802, and in Macquarie's in May 1809, op. cit., 534, iii, 395 and vii, 194.
4. For Phillip, H.R.N.S.W. i, Part 2, 486; for Hunter, H.R.A. I, i, 696 and ii, 203. The prohibition on building, if ever enforced, must have speedily become a dead letter.

probably spread to Norfolk. As late as 1801 Governor King reported to Whitehall that he had bought a brig because 'she could not be purchased by any of the inhabitants consistent with His Majesty's Instructions'.⁵

The picture presented hardly suggests the flowering of a local shipping interest. This only demonstrates that the dispatches can be a dangerous guide when read in isolation: they tell what the Governor believed, or what he thought it desirable his distant superiors should believe. More boat building and ship owning was going on than the Governors chose to admit. From the first Governor Phillip had rewarded enterprising convicts who succeeded in supplementing the colony's meagre diet with fish. Passage boats began operating between Sydney and Parramatta very early as a result of ex-convict enterprise.⁶ A syndicate probably headed by Thomas Fyssh Palmer, owned a fishing boat, Eliza, which was sent to rescue survivors from the Sydney Cove, wrecked in Bass Strait in 1797. Although the Eliza was herself wrecked, she was at least large enough to be risked on such a hazardous enterprise, and capable of carrying a number of people. A larger boat replaced it which was specifically registered for the Norfolk Island trade because Hunter feared it might adventure to China if given a general register.⁷ Once settlers began cultivating the rich bottom lands of the Hawkesbury's upper reaches a considerable passage trade developed to Sydney

5. H.R.N.S.W. iii, 343; H.R.A. I, iii, 88-9.

6. 'There is a fine River which runs up from Sydney to Parramatta, and Boats continually passing to and fro so that we can easily visit each other.' Mrs. Samuel Marsden to a friend, 13 Dec 1794, Marsden Family Letters, Mitchell MSS 719, p. 16. Former prisoners also built rowing boats which sold for five or six gallons of rum.

7. H.R.A. I, ii, 399.

by way of Broken Bay. When Baudin visited Sydney in 1802 he bought a twenty ton vessel from a colonist, to accompany the Geographe.⁸ In June 1801 Lieutenant Grant surveying the Hunter river found a man who had been wrecked with two companions 'in a boat belonging to Underwood of Sydney'.

It was the possibilities of the sealing industry which really launched colonial shipbuilding. In March 1802 Governor Hunter, now retired to England, wrote Under-Secretary King that small vessels would be very useful to go sealing on the southern coasts, and that 'this kind of business would be better in the hands of private individuals if permitted to build vessels fit for such purpose'.⁹ We must not be misled by this disingenuous observation. Hunter had permitted such construction before he left the colony, and was certainly aware that his successor was pursuing a policy at least as liberal. 'Some enterprising people' sought Governor King's permission to send vessels sealing in Bass Strait before Hunter's departure in 1800, and in 1802 King confided to Lord Hobart that the 'small vessels' sealing in Bass Straits were owned by colonists.¹⁰

In fact, though watchful of the East India Company's rights, King was ready to permit the building of quite large vessels, well able to navigate to Asian ports, or indeed anywhere in the world. He even ventured to suggest that colonial vessels be allowed to trade their seal skins and

8. H.R.A. I, iii, 697.

9. H.R.N.S.W. iv, 729. (My italics)

10. King to Banks, Apr 1801, H.R.N.S.W. iv, 353; King to Hobart, 9 Nov 1802, H.R.A. I, iii, 635. For a list of boats owned by colonists, with their employments and approximate working life see Appendix E.

sandalwood to China direct. This suggestion provoked an immediate and hostile reaction from the East India Company and the reason is made very clear in some rough notes on colonial shipbuilding penned by Sir Joseph Banks. Lord Camden had asked the East India Company Court of Directors for their reaction to the suggestion that New South Wales colonists should be permitted to trade seal skins and beche-la-mer to China in their own vessels:

The Court answers that the question is of very great importance as the inevitable consequence of building ships in N.S.W. whatever restrictions may at first be enjoined, will be an intercourse with all the Ports of the China and Indian Seas, & a Population of European descent reared in a climate suited to maintain the Energies of the European which when it becomes numerous, active & opulent, may be expected to acquire the ascendancy in the Indian Seas.¹¹

Who were the first builders? The most productive and among the earliest were James Underwood with his partner Henry Kable. Underwood was the shipbuilder, Kable the "ships' husband" - that is, he was responsible for running the vessel, paying the crew, etc. Their activities began at least as early as 1797 when they were members of a syndicate of twelve which Hunter licensed to build a vessel whose entry in the Hawkesbury carriage trade would reduce by a third the freight charges on wheat. A ship's carpenter supervised the work and it is possible Underwood learned the trade from him. In the event the task proved too ambitious for the times, several men dropped out, and Kable and Underwood bought out the rest. The schooner, Contest, 44 tons, was not launched until 1804, by which time Underwood had built most of his flotilla.¹² This consisted of the sloop

11. Notes by Sir Joseph Banks, c1806, Banks Papers, Brabourne Collection, Vol. 4, 268-270, Mitchell MSS A78-3.

12. Sydney Gazette, 27 May 1804.

Diana, 24 tons, launched by 1800, the schooner Endeavour, 31 tons, registered in 1801, and the 75 ton schooner Governor King launched with some difficulty in 1803.¹³ The same year Underwood persuaded Governor King to allow him to build his masterwork, the 185 ton fully rigged ship King George, finally launched in April 1805. The partners, who had recently joined forces with Simeon Lord, were bonded for £2,000 not to navigate her north of Cape York, south of South Cape or east of 130° west. They agreed to send her to India or London for sale if Whitehall refused, retrospectively, to approve her construction.¹⁴

This was the last major undertaking of the Underwood yard, although he may have built sloops, schooners and small boats for others. Between 1805 and his departure for England in 1807 he was chiefly engaged in maintaining the firm's flotilla, including their larger foreign-registered ships (he practically rebuilt the Santa Anna), and the ships they chartered. In an itemised but possibly inflated account Underwood valued the work done in his yard between 1804 and 1807 at approximately £26,000 and to this could be added £11,400 which was his estimate of the cost of building their flotilla of vessels. His partners did not dispute these totals. Underwood does not seem to have played a prominent part in the industry after his

13. In one return the Governor King's tonnage is listed as 38 tons, but Underwood rated her 75 tons in his accounts, and there are other references to the larger figure. The best source for Underwood's activities is a series of accounts preserved with other evidence and case papers relating to two law suits, *Lord v Kable & Underwood* and *Lord v Underwood*, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2279 and 2283.

14. H.R.A. I, v, 771 and 846.

return to Sydney in April 1809.¹⁵

Another prominent builder of the period was Robert Campbell who built two brigs, the 170 ton Perseverance in 1807 and the 136 ton Queen Charlotte in 1813, as well as other small craft. Others included Andrew Thompson, Thomas Reiby (with his wife Mary and his partner Edward Wills), Isaac Nicholls, and the brothers William and James Jenkins who seem to have introduced the industry to the future Darling Harbour. John Palmer owned four sealing vessels, but may have bought them from professional builders.¹⁶ It was not uncommon for small businessmen to build one or perhaps two small craft for the Hawkesbury or coastal trade. A dozen such builders can be readily identified, and probably more.¹⁷ The number of craft operated with a local registration in the period 1800-1821 is surprisingly large: between 110 and 120, of which only about a dozen were built outside the colony. They ranged in size from a few tons to the far-ranging vessels of more than a hundred tons which pioneered the sealing and Pacific

-
15. One reason for Underwood's 'retirement' from new construction may have been the advent of Governor Bligh, whose attitude to the colony's growing commercial community was very different from King's. Bligh was hostile to colonial shipbuilding - see, for example, his anger at the construction of the Norfolk Island schooner Endeavour by Dr Redfern and others, see 'Letters King, Bligh, etc', Mitchell MSS Safe 1/51, 53 and 118. The foreign-registered ships owned by the firm were the Star (119 tons), the Commerce (225 tons), the Sydney Cove (282 tons), the Santa Anna (260 tons) and Kable and Underwood also briefly owned the Hannah and Sally (167 tons) on one voyage to Fiji and Canton. See also table in Chapter Eight, and App. C, pp. 367 ff.
16. He bought the fifteen ton Fly from ex-convict Bryan Egan. The Fly was unusual in having been built for immediate sale.
17. Among such builders would be Jonathon Griffiths, with his partners Samuel Thorley and J. Warner, James Mills, Bryan Egan, Charles Griffin, James Webb, Thomas Crump or Crumpton, George Peat of Cockle Bay and probably John Redmond, the emancipist Chief Constable of Sydney.

Islands trades.¹⁸ However, the number of craft afloat at any one time was a small and fluctuating figure. The New South Wales coast took a heavy toll. Of 112 vessels positively identified, not fewer than forty three were wrecked or foundered, and of these at least three were first pirated by escaping convicts. No doubt faulty construction, amateurish seamanship and inadequate equipment took their toll, but the Tasman Sea is stormy and changeable, and the coast both north and south of Sydney tended to be a dangerous lee shore. Some vessels were lost on their maiden voyage, others like the King George, Robert Campbell's Perseverance and Thompson's Governor Bligh survived to the 1820s, finishing their eventful lives as floating hulks. The cost involved in keeping wooden vessels at sea must have been considerable, but is today almost impossible to evaluate. Some of Underwood's and Macarthur's accounts have survived but although they usefully reveal the number of refits required, and even the type of work required, the significance of the labour costs quoted is almost impossible to determine in Sydney's barter economy.¹⁹

18. It is almost impossible to make an estimate of the total tonnage of Sydney registered vessels in the period. No tonnage is known for almost a third of them, the tonnages when given are unreliable, and some vessels are missing altogether. However the tonnage of vessels operating between 1803 and 1821 which have been identified must have totalled well in excess of 6,000 tons. In piecing together the fragmentary records of these vessels J.S. Cumpston's Shipping Arrivals and Departures, Sydney 1788-1825, Canberra, 1963, is invaluable. For a list of vessels and owners see Appendix E.

19. For Underwood see note 12 above; for Macarthur see Cash Book No. 1 in Macarthur Papers, Vol. 7, Mitchell MSS A2903 and Account Book, Vol. 6, A2902. In a return of private property in Jul 1804 small craft and boats were valued at £11,200, H.R.A. I, v, 33. See also Appendix F.

More significant is the light thrown on the structure of Sydney's trading community, which it has been one of the chief purposes of this thesis to reveal and examine. The most striking features of the shipping 'interest' are the very large number of men (and even women) involved, and the diversity of their background. Like other aspects of the economic life of the period which we have examined, it confirms that for a very substantial number of felons, transportation provided a golden opportunity which they grasped very effectively. Of about 120 owners so far identified in the period 1800 to 1821 no less than fifty were emancipists or time-expired convicts, nine were probably ex-convicts, forty six came as free settlers, soldiers or officials and sixteen are doubtful.²⁰

The forty six who never experienced convict status were not all potential 'exclusivists'. Only two seem to have been retired military officers, John Macarthur and Edward Lord (the latter a very minor member of the 'interest'), and many were either related to ex-convicts, like Joseph Underwood and James Jenkins, or married to ex-convicts like Thomas Reiby, or in partnership with ex-convicts, like Thomas Moore with Simeon Lord or Thomas Reiby with Edward Wills. The forty six also includes 'currency lads' born of convict parents like Henry Kable Jnr, John Black, and John Griffiths. Nor did the 'gentlemen' of the shipping 'interest' own all the large vessels, leaving ex-convicts to scratch a living in the Hawkesbury trade. At least seventeen emancipists engaged in Pacific or sealing ventures or both, operating eight or nine vessels of more than fifty tons and four of more

20. The chief sources consulted: the musters for 1806, 1814 and 1828 held in the Mitchell Library.

than 100 tons.²¹ (This does not include large ships registered abroad and clandestinely owned, in which the chief operator was an emancipist, Simeon Lord.)

Dr Steven has stated that the colony's maritime enterprise was 'pioneered' by the 'professional merchants', whom she also describes as 'immigrant merchants'. As examples of such men she cites Robert Campbell, William Tough, William Campbell and Alexander Birnie. The fact is that while these men played a part in such enterprise, none of them launched it. Sealing from Sydney was going on before Campbell participated in the industry. William Campbell's two sealing voyages to King Island occurred before he was a Sydney resident. Alexander Birnie was not a Sydney entrepreneur until the declining years of the industry, and Walker came later still. Tough played no part at all and was dead by 1804.

As for the sandalwood trade, launched while Robert Campbell was en route for England, William Campbell's participation in the trade was as an associate of Macarthur and Blaxcell. Campbell participated, but late and on a smaller scale. Men like Jones, Riley and Walker played no part at all. As we shall see in the three following chapters it was the locally grown entrepreneurs, whether ex-convicts like Lord, Kable and Underwood, or ex-officer officials like Macarthur and Blaxcell who were the true pioneers of the colonial maritime industry.²²

21. Lord, Kable and Underwood, Thompson, Isaac Nicholls, Mary Reiby, Edward Wills, Thomas Abbott, J. Benn, William Jenkins, John Redmond, Jonathon Griffiths, Solomon Wiseman, Samuel Terry, George Crossley.

22. Steven in Abbott and Nairn (Growth) p. 124 and see above p. 169.

The shipping 'interest' included a fair cross-section of colonial society: officers like John Birch, paymaster of the 73rd regiment at Hobart, or the surgeon, Thomas Jamison; ex-officers, like John Macarthur and Edward Lord; officials like Thomas Moore, John Palmer and William Broughton; ex-officials like Garnham Blaxcell; former ship's officers like Thomas Reiby and Samuel Rodman Chace, former tradesmen, carpenters, shipwrights, along with a motley collection of farmers, traders, publicans, some free settlers, some free-by-servitude or emancipated. The entrepreneurial society of New South Wales was richly diverse, and the shipping 'interest' mirrors this exactly. Some owners, for example Samuel Terry, Simeon Lord, James and Joseph Underwood, became very affluent (although their wealth was not chiefly derived from ship owning but from a wide variety of enterprises and especially commerce). Others, like Edward Wills and Isaac Nicholls, achieved a more modest prosperity, while others seem to have moved from one financial crisis to another, like the Jenkins brothers. Still others, like Garnham Blaxcell, were ruined by a succession of over-ambitious enterprises.

Study of the shipping 'interest' illuminates another aspect of the local commercial community: business associations and partnerships. While some men largely operated alone, like Andrew Thompson and Joseph Underwood, most owners were entwined in a complex net of relationships. Thus Kable and Underwood were in partnership with Simeon Lord, who quite independently was associated with Thomas Moore in the prize-ship Pegasus, who in turn was associated with John Harris, the former surgeon and Naval Officer. John Macarthur and Garnham Blaxcell formed an important partnership which drew into its orbit Surgeon Thomas Jamison and the privateersman William Campbell

who was later linked with his nephew Murdoch Campbell and Edward Lord of Hobart. Robert Campbell was commercially linked with his brother-in-law John Palmer of the Commissariat, who independently had as partner William Stewart, a master mariner. The emancipist trader Thomas Abbott had as partner William Hobart Mansell who came to Sydney indentured as a clerk to Simeon Lord. The ex-Indiaman officer Thomas Reiby was partner of the emancipist Edward Wills.²³ While of lesser significance, such detail illuminates not only a chapter in commercial history, but also the social structure of the colony. This makes it easier to understand a semi-political event like the overthrow of Bligh in 1808, and one is reminded of Simeon Lord's remark to T.W. Plummer in 1808 that 'the Trade and Mode of Government here ... has been Nothing but Party Business for these last six years past.'²⁴ If faction was at the heart of Sydney's early strife, the basis of those factions will be found in the kind of commercial associations which made up the shipping interest.

The vessels' employments were as diverse as the origins of their owners. The shipping interest began by opening trade routes with the colony's outlying settlements, and although some shipowners soon embarked on more ambitious ventures, the Hawkesbury and coastal trade remained the commonest employment. The Sydney region's poor soil drove settlers some twenty five to thirty miles into the interior onto the rich bottom lands

23. For owners and partners see Appendix E, Part 2.

24. Simeon Lord to T.W. Plummer, London, 24 Sep 1808, from the Plummer-Lord correspondence preserved with other papers in Plummer v Lord, Kable & Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286. It had been the same in 1804: "This [is] a Devilish Country for Parties ... the petty hatreds of Individuals are curious to remark - & create slander & Malice to excess - Govr. King hates Govr Hunter's friends - the Military hate King abominably." Letter of James Grant, Jul 1804, from Mitchell M/film, FMA/1141.

of the Hawkesbury. The river, which alternately blessed the area with good soil and cursed it with floods, also provided the vital transportation link with Sydney. Vessels of up to 100 tons burthen could navigate four miles upstream from the present site of Windsor, about 140 miles from the sea.²⁵ This provided the cheap route to the coast which made commercial farming possible in a period when road transport costs were prohibitively high.

Very early, then, men began operating a regular carrying trade from the upper reaches of the Hawkesbury to Sydney. Their boats were usually large open or half decked sloops with a crew of two or three men, but their route was reasonably safe apart from the brief but hazardous sea passage from Broken Bay to Sydney Heads. Here a number were wrecked or foundered. Of the 112 craft identified as operating from Sydney between 1803 and 1821 about twenty five were always used in Hawkesbury voyages, while at least sixty were sometimes so employed. The vessels brought grain down river on consignment to Sydney traders like Robert Campbell or Simeon Lord to pay for consumer goods sent on up-stream voyages.²⁶ The latter would be distributed through local agents or through such resident traders as Andrew Thompson. No doubt the majority of the owners in this river traffic were ex-convicts like Andrew Thompson, Kable and Underwood, Lord, Jonathon Griffiths and his partner Samuel Morley, Thomas Gilberthorpe, Charles Beasley, but such free

25. William Charles Wentworth, A Statistical, Historical and Political Description ... of New South Wales, etc, London 1820, p. 33. By road - nothing but a bush track - the distance from Sydney was about thirty miles.

26. An entry in a Hawkesbury settler's journal in Nov 1808 reads: "Recd. from George Hall, Eleven Bushels of Storable Maize for John J. Grewey (sic) Sydney Carriage Paid. B. Fate, Argument Brigg (sic)", Journal of George Hall, Mitchell MSS A2585. The mariner was Benjamin Peate.

settlers or officials as John Macarthur, Thomas Reiby, John Palmer and William Stewart were involved. Some of the lesser figures like the boat-builder James Webb, a former employee of Thompson's, and Robert Inch who was lost with the Charlotte in 1808, were also free settlers.

The discovery of the Hunter River, and the wealth of coal and cedar found close to its banks, led to the establishment of the new outer-settlement Newcastle. In turn a regular coastal trade developed similar to the Hawkesbury trade, with coal and timber replacing grain and meat. Although the records are incomplete, at least 230 consignments of coal were landed in Sydney between 1803 and 1821, amounting to several thousand tons, and at least 130 consignments of cedar, although some of this came from the stands felled at the Shoalhaven River during the Macquarie period. About forty vessels made Newcastle voyages between 1803 and 1821, not all of them regularly. The most prominent owners prior to 1810 were Lord, Kable and James Underwood, Thompson, Isaac Nicholls, William Miller, all ex-convicts together with John Macarthur, Palmer and Reiby. Simeon Lord was, in 1801, the first settler to gather a cargo of coal for export. After 1810 the trade passed into the hands of ex-convicts like Solomon Wiseman, Mary Reiby, and George Dowling, and such free settlers as Garnham Blaxcell, Joseph Underwood, James Webb and John Grono. The degree to which enterprise had made communication with Newcastle frequent and speedy may be judged from the fact that there were sixteen arrivals from there in 1804.²⁷ In 1811 there were thirty four arrivals, and the fall to thirty one in 1812 may be

27. See Cumpston (Shipping).

partly accounted for by the opening up of the Shoalhaven cedar trade during that year.²⁸ A substantial number of the voyages were on behalf of Government.

If more records had survived it might have been possible to show the degree of profitability of the coastal trade. The only account I have discovered is in the Macarthur Papers and shows the costs and returns of the Halcyon schooner owned jointly by John Macarthur and Carnham Blaxcell. Between 19 March and 16 April 1808 £195 15s 9d was expended on the Halcyon, presumably during a refit. Between 19 April 1808 and 2 March 1809 the supply of provisions and wages to the crew cost the owners £264 6s 4d and a further £86 4s 7½d was spent in duties charged on goods brought into Sydney in the vessel. These three categories of cost were the only ones listed when the owners made up their accounts, and they made up a total debit of £546 6s 3½d.

On the credit side were the following items:

	£	s	d
1808			
May 12 Carriage of 1,000 bushels of wheat	50.	0.	0
Jun 12 100 feet cedar sold	2.	10.	0
Jul 5 628 feet cedar sold	20.	18.	8
Aug 24 3 tons coal for <u>Favourite</u>	7.	10.	0
Sep 5 Carriage 523 bushels maize	26.	3.	0
Sep 18 354 feet cedar sold	11.	16.	0
Oct 10 Carriage 947 bushels maize	47.	7.	0
Dec 17 11¼ tons coal to <u>City of Edinburgh</u>	28.	2.	6
1809			
Feb 3 8,895 feet cedar @ 3d	112.	8.	9
38,715 feet cedar @ 1½d	241.	19.	4
12 tons coal @ 50s	30.	0.	0
Duties charged to Pymont	86.	4.	7½
	<u>£664.</u>	<u>19.</u>	<u>10½</u>
Balance in favour	£118	13s	2d.

28. There would have been thirty two arrivals but the Sally foundered on a return journey. There were eleven arrivals with Shoalhaven cedar during this year.

It is worth noting that this profit of less than 20 per cent would have been no more than 5 per cent if the partners, for their own reasons, had not chosen to charge the duties paid to the Naval Officer on the coals and cedar imported from Newcastle to another of their enterprises, the Fyrmont yard. The latter was a general timber, carpentering and joinery business which carried out a variety of maintenance work.²⁹

Before leaving the coastal trade two other settlements should be mentioned: Norfolk Island and Van Diemen's Land (Hobart Town and Port Dalrymple). Norfolk Island was distant and devoid of an anchorage. Communication with the island was spasmodic and usually carried out by Government vessels, or by China-bound ships or whaling ships commissioned to do so by the Governor or by such large traders as Simeon Lord.³⁰ Nevertheless some half dozen vessels, owned by Palmer, Macarthur, Reiby, Kable and Underwood and Robert Campbell helped maintain contact with the island, usually carrying consumer goods there, and receiving salt pork as a return. From the first founding of Hobart in 1803, the enterprise of the shipping 'interest' was a valuable adjunct to the Governor's colonising activities, and from time to time he chartered local bottoms to take down supplies and personnel.

29. Macarthur Papers, Vol. 7, Bill Book Mitchell MSS A2903.

30. As when Lord got the American brig Union to land spirits, etc, at Norfolk in 1804 in defiance of Governor King's orders, see Chapter Three above. (Piper's reward was 100 gallons of spirits from Lord at cost, cf. Lord's tell-tale account in Lord v Kable & Underwood, Court of Civil Jurisdiction, Cause 315, Case Papers, N.S.W. Archives 2279.)

After 1815 Van Diemen's Land became a valuable source of grain, kangaroo hides and potatoes, with sixty or seventy arrivals from the southern settlements before December 1821. In this trade the leading figures were Mary Reiby, Robert Campbell (rebuilding his shattered fortunes in a variety of enterprises), Denis McCarthy, the master mariner Joseph James and two notable Hobart residents Edward Lord and Roland Walpole Loane. In brief, the operations of the shipping 'interest' in the coastal trade helped to bind together scattered settlements and lonely steadings into a colony with a common, integrated economic life.

The other employments for the colonial vessels, sealing and the Pacific islands trade, will be considered in detail in the following chapters, but we cannot close this brief examination of the shipping 'interest' without some reference to the clandestine ownership of ships with a British or foreign registration. As we have seen one of the problems which the traders faced in the early 1800s was the isolation of New South Wales. When from time to time American or British sealers and whalers called sometimes simply to refresh, sometimes with speculative cargoes, the traders regarded them with longing, for they needed ships of this size to move their skins and oil and sandalwood to market. Robert Campbell could send his skins to China on ships owned by the Calcutta firm of which he was an outlying branch, but the China market was unprofitable. Faced with a warehouse full of skins and oil Robert Campbell took his firm's Lady Barlow to England with them. The voyage was a breach of the Company's monopoly and almost cost Campbell his ship.³¹

31. See below page 234 ff.

Simeon Lord had bought two prize ships, in 1799 and 1800, and sent one to India with New Zealand spars and the other to Cape Town with coal. Both were sold there. A return voyage would have been illegal. The purchase of prizes, therefore, though it helped colonists to embark on sealing, sandalwood or whaling speculations, could not solve the problem of moving the produce of those speculations to the overseas market.³²

Simeon Lord found an ingenious solution. At least as early as 1804 he had appointed the London brokers, Messrs Plummers, his British representatives. In 1806 he had Plummers buy for Lord, Kable & Underwood the ship Sydney Cove for £2,200. He intended that the ship should bring the firm a cargo of general merchandise, and return with seal skins and oil, and then establish a regular trade. In the event the total cost of the ship, after an expensive refit, was £7,363, and Plummers could not advance the cost of the cargo as well. As a profitable substitute they hired her to the Government as a convict transport. Since Plummers held a mortgage on her, they were the registered owners. The Transport Board may have never known they were shipping convicts on a vessel owned by three ex-convicts resident in Sydney. A suspicious Governor Bligh, demanded to know the real owners but Lord insisted Plummers were, and as this was technically correct the Governor was baffled.³³

32. Among prizes purchased were the following: Hunter ex-Bethlehem (1799), Anna Josepha (1800), Santa Anna (1806), Pegasus (1807) all by Simeon Lord with others; Sophia (1804), Robert Campbell; Elizabeth (1806), John Macarthur, Carnham Blaxcell.

33. For the purchase of the Sydney Cove see reference at Note 22 above; for the Bligh-Lord exchange see Appeals Court Papers, Lord v Birnie, N.S.W. Archives 4/6606, p. 325.

In 1806, Lord had purchased the Commerce to carry skins and oil to England but hearing of Campbell's difficulties, he abandoned this idea and later sold her with a cargo used her for sealing and/sandalwood/at Macao. Meanwhile he had bought the ship Star in Sydney, mortgaged her to her late owners, Alexander Birnie & Co of London in order to disguise her true ownership, and sent her to England with a cargo of skins which sold for more than £10,000.³⁴ The Star then returned with a valuable cargo consigned to Lord who had at last achieved the coup which he had sought so long and which the Governor's Instructions had been designed to prevent.

In addition to outright purchase with a mortgage Lord tried to control the movements of ships with an Indian, or foreign registration by purchasing a share in them. Here he was less fortunate. In 1808 he negotiated to buy a half share in the Madras country ship Harrington only to see it pirated by convicts. He bought a share in the country ship General Wellesley, only to find that its captain was determined not to be controlled by any of his owners. He bought the prize Santa Anna on the understanding that Bligh would permit a return voyage to China, only to see the permit go to his rival Robert Campbell.³⁵ He also bought a share in the sealer Brothers (Hullets) from John Blaxland.

In the Macquarie period Joseph Underwood employed a similar technique. In 1810 he sailed to Calcutta in the Marian, a ship he had contracted to purchase - which meant it was still registered in the name of a Calcutta

34. See references at Note 23 above.

35. Lord also chartered vessels, e.g. the Honduras Packet to London and the Favourite to China in 1806 and the Aurora and probably the Boyd in 1809-10. The Honduras Packet was chartered for £10 a ton, R. of A. I, Nos. 572, 668, Mitchell MSS A3609.

firm whilst under his control. While in India he apparently decided to dispose of his interest in the Marian for he returned in 1811 in the Cambell Macquarie, which he had bought but mortgaged to Alexander & Co of Calcutta. The vessel brought him another India cargo in 1812 and was then cast away on Macquarie Island. Governor Macquarie had been disturbed by Underwood's apparent breaches of regulations but like Bligh had been baffled by the legal technicality.³⁶ After 1815 the restrictions on direct colonial trading with India and Asia eased, but by ingenious and clandestine operations a number of Sydney traders had bridged the gap and had built up a valuable store of experience during a period in which all their trading with Asia and London had been against the wishes of the home government.

The story of the shipping interest has only been an introduction to the search for a colonial staple. Nevertheless it has its own value: it shows that the commercial community was exceedingly diverse, that the scope of its opportunities was very wide, and that its members ran frequent and serious risks. Having had an opportunity to glimpse some of the entrepreneurs in action it is time now to consider how the evolution of the shipping interest permitted that frontal attack on the staple problem, the sealing industry.

36. For Macquarie's investigation of the Marian's ownership see C.S.I.L. 1810, N.S.W. Archives 4/1723, pp. 232-4, 236-8; also R. of A. IV, Mitchell MSS A3610, p. 106. On 17 Feb 1810 Charles Bruce and John Nichol sold the brig Cyclons to Garnham Blaxcell and William Collins for £3,550. On 25 Jun Macquarie demanded to know who were her owners as he had been told she was owned by N.S.W. residents whilst having an Indian register. She must then have been given a colonial registration but Blaxcell got leave to restore her Bengal registry in Oct 1811 to send her to Calcutta for sale, and availed himself of the permit in 1812, cf. C.S.L.B. 1810-11 pp. 101-103, and 1812, p. 129 N.S.W. Archives 4/3490 and 4/3491, and C.S.I.L. 1812, p. 279, 4/1727.

Chapter Eight: The Sealing Industry: The Harvest and the Harvesters.

The agriculturalists, knowing that exports in grain were altogether impracticable, resorted to the external, though near resources of the colony, viz: in procuring seal-skins about Bass's Straits

William Wilson, 1806.

When the whole interior of Australia was as little known as the other side of the moon, the remote subarctic islands, set in one of the stormiest seas on the globe, were better known and far more frequented than they are today.

Thomas Dunbabin.

Like the sandalwood trade the sealing industry tended to attract the same kind of men - entrepreneurs who were engaged in importing and wholesale dealing, and with the initiative and the means to build ocean-going vessels. By 1800 schooners and sloops capable of navigating Bass Strait, the Tasman and the New Zealand coast were being built or projected, and the traders were beginning to exploit the nearer sealing grounds. Seal skins and seal oil were not very costly to harvest and had a potential market value likely to cover profitably the heavy insurance premiums common during the Napoleonic War.

The possibilities of the industry were probably first demonstrated by Capt William Raven in 1792. As described earlier although licensed to seal by the East India Company, Raven preferred to undertake a number of voyages for the officers of the New South Wales Corps. During the first of these he left a gang of men at Dusky Bay who gathered 4,500 skins.¹

1. For Raven's activities see David Collins, An Account of the English Colony of New South Wales, London 1798 and Chapter One above; see also Thomas Dunbabin "Whalers, Sealers, and Buccaneers", Journal of the Royal Australian Historical Society, Vol. XI (1925).

This experiment may have aroused interest in Sydney but no resident could then follow Raven's example. The Governor's Instructions explicitly forbade the building of craft large enough to permit communications with the Asiatic mainland. Colonists were to have no opportunity to poach in the East India Company's preserves. Nevertheless, Raven had demonstrated two important facts. Firstly, seals were numerous on the New Zealand coast, and might be found on the southerly coasts and islands of Australia. Secondly, sealing could be carried on effectively by land-based parties. The mother ship need not hold the sea off rock-bound coasts in danger not simply of shipwreck, but also of damaging gear expensive or difficult to repair in Sydney's primitive yards. After the vessel had delivered the gang to the sealing ground, it could return to port, seek other grounds, or engage in speculations to Tahiti for pork, or to Fiji for sandalwood. Later it would return with supplies, and perhaps salt for curing, and take away the catch. Colonists with only moderate capital could take part, for their vessels need not be large, nor their equipment elaborate. Best of all the craft would be earning in some other activity while the gang were amassing a catch. These advantages were largely denied to British or American sealers operating thousands of miles from their home port.

Apart from Raven the foundations of the Sydney sealing industry were largely laid by two Governors and a visitor. The visitor was English mariner Charles Bishop who came to Sydney from Macao in May 1798. Bishop, embarked on a voyage to the North American fur coast, had been driven by contrary winds first to Tahiti, then to New South Wales. After

expensive repairs he sought to recoup his losses by trying the recently reported sealing ground of Bass Strait. Bishop wrote his owner:

From the Commander and sad remains of the crew of the ship Sydney Cove of Bengal, who were obliged to run their ship on shore after doubling the South Cape of New Holland ... we learn ... the islands thereabouts abound with Fur seals and it is our intention to proceed ... with a strong crew of twenty-five men and two whale boats to kill and dry skins for China, and boil out seal oil for this market.²

Bishop planned to split his men up on several islands and station Nautilus near by until he had got 3,000 to 4,000 gallons of oil and about 10,000 skins. He had been offered five shillings a gallon for oil in Sydney. He hoped to leave for Macao with his skins in February 1799. Bishop's voyage was less successful than he had hoped, although he got 5,000 skins at Cape Barren and 350 gallons of oil which he brought back to Sydney, leaving a fifteen man gang to continue the hunt. The crew were on 'lays' or shares, which would absorb about thirty five per cent of the catch, while the gang left behind were given an extra half share - that is a man on an eightieth lay would get an additional 1/160th lay. An unusual aspect of the Nautilus's voyage to Canton, they agreed in their articles to receive a share of the profits of the catch in lieu of wages.³

It is not clear whether Bishop got any more oil before his departure, but he arrived in Macao with 9,000 skins which he sold to a Hong merchant for \$13,000 and 3,000 yards of woollen broad cloth of the kind used for trading on the North American fur coast.⁴ Judging by the prices obtained

2. Charles Bishop's 'Nautilus Memorandum' 1796-9, Mitchell Library MSS C192, Bishop was not an American as stated in Abbott and Wairn (Growth), p. 288, and his owner was a Bristol merchant.
3. S.C.P. Bundles 30 Item 112, N.S.W. Archives 1113.
4. The 'Hong' was the group of Chinese merchants through whose hands passed all China's foreign trade at Canton.

for skins a few years later, this was a not unfavourable price. Nevertheless the venture had disappointed Bishop's expectations. He had made the error of running a sealing venture as if it was a whaling voyage, keeping his vessel as close to the gangs as he could. Bishop blamed his modest catches on the fact that there was no suitable anchorage nearer to the sealing islands than twenty or thirty miles. This misses the vital point. Nevertheless Bishop's venture and the lessons learned were watched with close attention by Sydney entrepreneurs.

The two governors whose co-operation with Sydney entrepreneurs helped to launch the local industry were Hunter and King. Hunter's role, though minor, was not insignificant. As we saw in Chapter Seven he turned a blind eye on the first stirrings of the boat-building industry without which no local sealing industry could have developed. Governor King's role was much more dynamic, of course, because it was in the six years of his governorship that the local industry became firmly established.

King told Sir Joseph Banks in 1801 that some "enterprising people" had applied to him for permission to seal "on and about Furneaux's Islands" before he had taken over from Hunter. To this he had agreed.⁵ In November 1802 he reported to Lord Hobart that the vessels that caught seals in Bass Straits belonged to colonists. The skins taken were bartered with captains of ships going to China, and

as this is the most considerable among the very few natural productions of this country that can be esteemed commercial, and as they will always be received in China I ... shall encourage that pursuit as much as possible to those who may be of industrious and enterprising dispositions⁶

5. H.R.N.S.W. iv, 353.

6. H.R.A. I, iii, 635-636.

This promise of encouragement King fulfilled so far as he could. He permitted the building of such vessels as the Governor King and King George, as we have seen, which was a very direct breach of his instructions, and he allowed a consignment of skins and oil to be sent to England in breach of the East India Company's regulations. He also arranged for locally obtained skins and oil to go freight free on the Glatton to try the English market.⁷ Urging the desirability of forming a settlement at Port Phillip in a letter to Sir Joseph Banks in June 1802 King wrote: "The great abundance of sea-elephants, prime and other seals, that are throughout these Straits will make this place of great resort"⁸

His solicitude for the industry was shown in December 1803 when he wrote to Lieut-Governor Collins that he had consulted the sealing masters as to the effect of putting a Sergeant's guard and some convicts on King Island to form a settlement. They assured King that such a step would drive away their quarry, and, he told Collins, he felt this was so well-founded the settlement must be deferred. "However great the advantage would be" he concluded, "the loss ... in a commercial point of view more than counterbalanced the convenience."⁹

King, ever conscious of the need for alternative employments for time-expired convicts, and aware that his parsimonious policies had curtailed the chief export of the traders, Treasury bills, welcomed the growth of

7. The consignments were owned by Robert Campbell and Simeon Lord, see below Chapter Nine.

8. H.R.N.S.W. iv, 785.

9. King Letter Book, p. 362, Mitchell MSS A4042.

the industry. In December 1804 he reported that the fishery was proving very successful. It was the only natural staple so far discovered, and was highly beneficial to those who engaged in it. There were "upwards of 180 persons on those islands belonging to Mr Campbell and two other residents who were formerly under the sentence of the law."¹⁰

These last, though not named, were undoubtedly Henry Kable and James Underwood. They were partners at least as early as July 1800 when they signed an agreement with Samuel Rodman Chace, former officer of the Nautilus, to take their sloop Diana to Cape Barren

... to catch seals, tan their skins for ... upper and sole leather for strong shoes and also for preserving the Oils ... for such Market as shall be deemed beneficial.

The men were to be paid in shares of the catch, but Chace, Kable and Underwood were to divide the profits equally, and to wind up the agreement after two years.¹¹ Kable and Underwood seem to have been first in the field and while they were quickly joined by others, they enjoyed one large advantage: they had Underwood's shipyard and craftsmanship to carry out their boat-building and maintenance. In July 1804 the Sydney Gazette reported that two of their schooners and one of their sloops had brought in 28,282 skins and 183 tons 40 gallons of sea-elephant oil and 220 gallons of seal oil between March 1803 and June 1804, "in procuring which 63 men have upon an average been employed."¹² The same

10. H.R.N.S.W. v, 525.

11. R. of A. I No. 210, Mitchell MSS A3609; also S.C.P. Bundle 30 Items 8, 10, N.S.W. Archives 1113.

12. Sydney Gazette, 22 Jul 1804.

observer commented that "the importance of a trade that in the space of a few years is found capable of giving employment to so many people upon a single firm must appear obvious." Between 1805 and 1807 at least 129 men were employed by this firm in sealing, including mariners, but not including the work force of labourers and artisans in the shipyard.¹³ Significantly they negotiated all fifteen sealing agreements registered with the Deputy Judge Advocate in 1803.¹⁴ That year, if not earlier, their schooners pushed across the Tasman to the rich New Zealand grounds at Dusky Bay and Solander's Island. It was reported in October 1803 that in three months the Endeavour and Governor King had brought the colony £1,000, estimating the value of their oil at £600 and their skins at £400.¹⁵

Simeon Lord was another early sealer. His entry to the industry was very probably as a middle man, taking skins and oil from sealing masters like Kable and Underwood in exchange for merchandise. (He exported his consignment of skins on the Glatton before he owned a sealing vessel of his own.)¹⁶ In December 1803 he acquired the wrecked Cato's long boat and had her lengthened and converted into the sloop Marcia, and employed her in sealing, though her chief claim to fame is that she made the first Fijian sandalwood voyage. Lord's sealing, even after his partnership with

13. For some statistics of men employed 'in the fishery' see p. 219 below.

14. R. of A. I, various entries, Mitchell MSS A3609.

15. Sydney Gazette, 16 Oct 1803.

16. There is some evidence that the Hunter carried oil and skins when she sailed for Calcutta on Lord's behalf in 1799 (see Chapter Four, p. 101 above). The Glatton sailed home in May 1803.

Kable and Underwood in 1805 gave him access to their flotilla, was partly carried on through intermediaries. Sometimes these were Americans, an association with aliens of which Governor King deeply disapproved.¹⁷

In 1805 Lord entered into an agreement with Fendleton of the American sealing vessel Union to carry out a sandalwood and sealing venture at one and the same time. The crew of the Union had gathered 12,000 skins at Kangaroo Island and there built the schooner Independence. The two vessels went to Sydney where the skins were left with Lord. The Union left for the Pacific islands but Fendleton was murdered at Tonga and the Union was later cast away at Fiji.¹⁸ Meanwhile on Lord's recommendation and with him as active partner the Independence took a Lord gang to Antipodes Island off South Island, New Zealand, where the gang remained until February 1806. Of the 59,000 skins collected by this one gang, Lord sent nearly 18,000 to China on the Favourite and a further 34,000 went to London on the Honduras Packet, both vessels under charter. The remaining 24,000 skins were shipped to Sydney on the Commerce, a ship owned, with dubious legality, by Lord, Kable and Underwood.¹⁹

When the three men joined forces in January 1805 their flotilla made them the colony's largest sealing enterprise. The following table shows their vessels and, roughly, their operating lives.

17. H.R.A. I, v, 8-9.

18. The best known but highly inaccurate account of Lord's association with the Union is E. Fanning's Voyages and Discoveries in the South Seas 1792-1832, 1924 edtn., pp. 230 ff. See also Sydney Gazette 28 Nov 1804 and Chapter Ten below.

19. For Commerce purchase see C.S.I.L. 1806-8, pp. 56-8, N.S.W. Archives 4/1721.

(a 'w' after the terminal date indicates the vessel was wrecked.)

<u>Surprise</u> (ex-Diana)	slp	24 tns	c.1800-1805 w.
<u>Nancy</u>	slp	20 tns	1803-1805 w.
<u>Endeavour</u>	schnr	31 tns	1803-1813 w.
<u>Governor King</u>	schnr	75 tns	1803-1806 w.
<u>Contest</u>	slp	44 tns	1804-1807 w.
<u>King George</u>	ship	185 tns	1805- ? (a hulk in 1822)
<u>Marcia</u>	slp	22 tns	1803-1808
<u>Commerce</u>	brig	225 tns	1805-1808
<u>Star</u>	ship	119 tns	1806-1809
<u>Santa Anna</u>	ship	260 tns	1806-1810
<u>Sydney Cove</u>	ship	282 tns	1807-1808. ²⁰

The table gives some conception of the scale of their operations, although of course the vessels were used in other enterprises.

In August 1806 an official return showed that since November 1800 118,721 seal skins had been imported into Sydney by colonial sealers, and 98,280 had been exported. (A further 14,750 skins had also come and gone in the holds of British whaling ships).²¹ However, Lord had sent at least 52,000 skins direct to China and London from the Penantipodes, as we saw above, and also sent 20,000 skins to London on the Ceres direct from

20. The last four vessels were purchased, used briefly in sealing and sending skins to market, and later sold. The table is chiefly based on references in business papers used in various lawsuits, chiefly Lord v Kable & Underwood, Cause 315 Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2279. Movements of Colonial vessels can be traced in the Sydney Gazette from 1803 and in Cumpston (Shipping).

21. H.R.N.S.W. v, 169.

the same island at about the same time (January 1804), and would have sent double the quantity but for the Ceres being driven off the island in a gale of wind. None of these skins would be shown on this return drawn up later that year. Thus Lord and his associates had exported at least 72,000 skins from this one island, and undoubtedly were responsible for a very large share of the skins enumerated in the return.²² The partnership began to wind up late in 1807 and finally dissolved in a welter of lawsuits. Kable and Underwood played no part in the industry after 1808, and Lord's participation was reduced. His last link with the industry was probably severed in 1816 when his brig Trial was pirated and cast away.

The sealing masters of the King-Bligh period were a varied selection of colonial types. In addition to Lord, Kable and Underwood there were such prominent emancipists as Isaac Nicholls with his fifty eight ton schooner Endeavour (1807-1825) built at Norfolk Island, and the Sydney-built thirty five ton schooner Governor Hunter (1805-1814), and Andrew Thompson with first the Nancy (later sold to Kable & Underwood) and then the 100 ton schooner Governor Bligh (1807-1821). At least one sealing master was a prominent official, Deputy Commissary John Palmer with his master-mariner associate William Stewart. Palmer operated at least four vessels, sloops and schooners, of from eighteen to thirty four tons.²³

22. For the quantity of skins exported to London by Lord and his associates between 1805 and 1810 see Chapter Nine below. For Ceres see also Lord & Co. v Edwards, Court of Civil Jurisdiction, Proceedings, Vol. 3, N.S.W. Archives 1100 and Case Papers.

23. See Palmer-Stewart agreement, 1803, at S.C.P. Bundle 30 Item 28 N.S.W. Archives 113. For a document which gives some interesting sidelights on sealing at the Penantipodes see William Stewart's protest. S.C.P. Bundle 25 Item 3, N.S.W. Archives 1162.

He left the colony in 1810 and played no part in the industry after his return.

A more potent influence on the industry than Palmer, though probably less active as a sealer, was his brother-in-law, Robert Campbell. When Campbell took up permanent residence in Sydney in 1800 his firm in Calcutta already had the idea that seal skins caught by colonists might be employed to pay for the consignments of merchandise which the firm were sending to the colony.²⁴ Campbell then considerably advanced the local industry before he had ever sent a sealing vessel south. He provided a ready market for the local sealers' skins who no longer had to store the skins for months while awaiting the chance arrival of a China-bound ship to which they could sell them. As country traders Campbell & Co could send ships to Canton or to India carrying skins and oil after they had delivered India goods at Sydney.

Campbell's influence, though potent for the first two or three years after his arrival, probably declined after 1805. In that year he returned to England for a brief visit, leaving his sealing concerns in Palmer's hands, and by that time Simeon Lord had demonstrated that the best market for skins and oil was London and that an ingenious man could find means to get his skins to that market. When he and his partners decided to move skins to Canton they did so through associations with Americans. Nevertheless, until their partnership with Lord, Kable and Underwood were glad enough to

24. Cf. Steven in Abbott and Nairn (Growth) pp. 288-289. For an interesting account of Campbell's participation in the industry see her Merchant Campbell.

use Campbell's ships to move their skins to market, and smaller sealers were no doubt glad to trade skins for merchandise with Campbell right up to the Macquarie period.

From 1804 to 1806 Campbell operated a prize, Sophia, of 240 tons replacing her in 1807 with the 136 ton brig Perseverance, built in his own yard. She was afloat at least as late as 1824 and in addition to a voyage to China in 1807-8, was the discoverer of both Campbell and Macquarie Islands. He also chartered locally built vessels and employed 128 men and boys in the sealing industry.²⁵ After the discovery of Macquarie Island in 1810 the firm harvested at least 101,200 skins from this one ground. Sealing also helped establish Thomas Reiby. Although his widow, Mary, is now more famous, her business was founded in part on the profits of her husband's sealing. Reiby was sealing at least from October 1800 in the sloop Raven and after 1807 was also operating the fifty three ton schooner Mercury, although whether she made sealing voyages in addition to her voyages to Tahiti and Fiji is uncertain.²⁶

A latecomer to the industry was Joseph Underwood, who in 1811 bought the King George from James Underwood and engaged her in sealing, whaling, Tahiti pork and Marquesas sandalwood speculations during the following decade. He also bought the locally built Elizabeth & Mary, sending her to relieve his Macquarie Island gangs in 1812 and so employing her for at least the next fifteen years. In 1812 he sent also the India ship

25. Report of the Select Committee on Transportation, Parliamentary Papers, 1812.

26. See R. of A. I, No. 325, Mitchell MSS A3609.

Campbell Macquarie to Macquarie Island where she was wrecked. Underwood came to the industry when its best days were over, but perhaps because fewer men were engaged in it, or because he concentrated on sea elephants where the object is oil not skins, he seems to have been successful. One of his vessels brought up 330 tons of elephant oil from Macquarie Island as late as 1824. In 1828 he claimed to have provided employment for on average between 150 and 200 men since 1810.²⁷ It was almost certainly an Underwood gang that Russian-explorer Bellinghausen encountered on Macquarie Island in 1820.²⁸

Since so much effort and slender reserves of capital were invested in colonial sealing it is relevant to consider why it declined under Macquarie. Although fishing in Bass Strait continued throughout the Macquarie period and the report in 1815 that the fishery there was "totally annihilated" was certainly exaggerated,²⁹ the number of seals appearing in the Straits would not support more than a small scale and desultary fishing. In 1820 the Hobart entrepreneur T.W. Birch told Commissioner Bigge that he still employed his 120 ton brig Sophia in Bass Strait and that seals were still numerous on a few islands, although at others they had totally disappeared. James Kelly told the Commissioner at the same hearing that

27. For the wreck of the Campbell Macquarie see Bundle 25 Item 14, N.S.W. Archives 1162; for interesting details about Underwood's Macquarie gang in 1822 see Appeals Court Papers, Underwood v Raine, N.S.W. Archives 4/6610.

28. Frank Debenham, Ed., The Voyage of Captain Bellinghausen to the Antarctic Seas, 1819-1821, Vol. II, pp. 364 ff, Hakluyt Socy., Series II, No. XCII, 1945.

29. H.R.A. Third Series, ii, 575-6.

he had been sealing in Bass Straits for about five years. Seals were no longer abundant, no more than 1,500 to 2,000 being taken each season.³⁰ In earlier days Kable and Underwood's schooners would have brought home twice or three times that number in a single voyage.

One reason for the decline of the Bass Strait fishery was overfishing. The danger of overfishing had been recognised early. When Surgeon Thompson called at King Island in December 1802 he found that a gang left by the British ship Margaret had killed more than fifty elephant seals in less than a month, but had only managed to catch 600 fur seals. John Palmer had a gang on the other side of the island but he did not discover how they were faring. He commented presciently that "the seals from continual harassing seem to have forsook the island and I am much afraid from similar continued interruption the elephant will be forced to seek some other haunts."³¹

Governor King was conscious of the danger. In May 1803 he told Lord Hobart he would soon be obliged to issue an order forbidding sealing parties going there except at certain times as the seals were decreasing. In the same month the Sydney Gazette received a letter from "A Wellwisher to Posterity" who predicted that seals would rapidly become extinct if restrictions were not imposed.³² Lieutenant J.H. Tuckey, observing the industry in 1803, approved the enterprise but recommended restriction.

30. H.R.A. Third Series, iii, 461-462.

31. H.R.N.S.W. v, 8.

32. H.R.A. I.v, 145; Sydney Gazette 29 May 1803.

There should be an age restriction, females with young should be spared, and sealers should leave some rookeries to lie fallow each season.³³

It was easier to recommend restriction than it was to apply such a policy. King never practised conservation, probably because it would have been too difficult to police, and because it would simply have played into the hands of the sealers' chief competitors, the Americans. The Americans were bitterly resented. Their crews sometimes assaulted the smaller local gangs, and the American captains often seduced sealers away from the service of their Sydney masters. Lieutenant Tuckey coupled his conservation recommendations with the suggestion that all foreigners should be excluded from the islands of the Straits just as foreigners were excluded by the Dutch from the Spice Islands and by the Spanish and the Portugese from the South American trade. A naval patrol in the Straits could enforce the regulations and protect local sealers from assaults by interlopers.

In fact the American competition was not as hampering as some sealing masters feared for as George Howe shrewdly commented in 1803, the advantage lay heavily with the colonists. They could operate much smaller and less expensive vessels and need not hold station off dangerous shores, with the inevitable heavy costs in depreciation. It took a very large catch to fill a ship of several hundred tons, and that took weeks, perhaps months of killing and curing and boiling down. Governor King might be unable to carry out so grandiose a scheme as Tuckey had suggested,

33. J.H. Stuckey "Sketch of New South Wales, 1804", Mitchell MSS A2001.

but at least he issued orders designed to prevent Americans using Sydney as a base from which to operate their vessels in the same way the Sydney sealers operated their smaller vessels. (It was the realisation that Lord's associations with Americans might defeat the intent of these orders which made King so furious at Lord's conduct.) Howe suggested that Americans might find it more profitable to buy skins from Sydney sealing masters and save themselves trouble and expense.³⁴

Another cause of the decline of seals in Bass Straits were the increasing tendency for the islands to be permanently occupied by a 'banditti' of escaped convicts and their native women who killed sea-elephants for their tongues and traded skins with shore-based accomplices for clothing, food and ammunition. Captain Williams Stewart told J.F. Campbell in 1815 that for several years it had been the practice for whale boats, twenty to thirty feet long, to clear out of Hobart and Port Dalrymple apparently with only two or three men on board, but in fact with several convicts hidden. These escapees took dogs and arms to hunt kangaroos and seals on the islands, and were "a Banditti of Bushrangers" who escaped in this way after committing robberies and other outrages to acquire food and arms. Shortly after their departure vessels would be sent after them with food, slop clothing and ammunition to exchange for skins. From their island bases they would venture as far as the heads of Port Dalrymple to pick up news, and they were always seeking to persuade men in sealing gangs to desert their employers. Stewart said two boats

34. Sydney Gazette, 22 May 1803.

were then at King Island, and another was hiding in Kent's Group. These buccaneers raided the Tasmanian mainland for aborigine women and they even traded in them.³⁵

Even in King's time the focus of fishing had moved to the coastal rookeries of New Zealand and 'the Penantipodes', and by 1810 it included Campbell and Macquarie Islands. These grounds were exploited with equal ferocity and the rookeries were gradually worn out. In 1815 the Sydney Gazette commented that more than 100,000 seals had been taken at Macquarie Island in a season, but during the past season several gangs had only been able to amass 6,000 skins between them.³⁶ As the number declined the trade became more competitive. When the Perseverance hastened back to Sydney after discovering Macquarie Island her master callously spread a rumour a boat's crew had been drowned to explain his unexpected return.³⁷ Inevitably the secret leaked out. Simeon Lord had associated himself with an American captain, Owen Folger Smith, for a joint sealing venture. Encountering the Perseverance at Campbell Island, Smith bribed Murray, one of her officers to reveal Macquarie Island's position. The officer supplied the correct latitude but the wrong longitude. However, Smith told by Lord to cruise in that latitude in search of the island, found her anyway.³⁸

35. Stewart complained these desperadoes' exploits were "dangerous ... and ruin to the industrious and fair trader and likewise a serious loss to the present and rising generation, and has totally annihilated the seal and Elephant oil fishery about Basses Straits and adjacent islands ...", H.R.A. Third Series, ii, 575-576. James Kelly said five years later the main centres of the buccaneers were Cape Barren Island, Furneaux Group, King Island and especially Kangaroo Island, op. cit., iii, 461-462.

36. Sydney Gazette, 22 Apr 1815.

37. Charles Hook's Letter Book pp. 21-22, Mitchell MSS (Uncat.) Set 109 Item 1.

38. The bribe, a draft on Lord for £200, was, therefore, not honoured!

A second reason for the decline of the industry was the policy of the British Government, influenced by a formidable "whaling lobby" whose chief spokesmen were the Enderbys. English interests were determined to strangle the industry with discriminatory duties against colonial oil, seal and whale.

Spermaceti oil was to bear a duty in London of 15s 9d a ton if obtained by British ships but £24 18s 9d a ton if obtained by colonial ships. More serious because more relevant to the activities of the colonists were duties of £8 8s a ton both Black whale oil, which they caught in the Derwent estuary, and on sea-elephant oil. With a fatuity which in retrospect seems almost incredible Macquarie added a colonial duty of £2 per ton to these already almost prohibitive burdens. Colonial whaling, never of great importance in our period, was practically suppressed by these measures, and Bigge added his powerful voice to those who advocated the repeal of all colonial duties on South Sea products. His advice was followed and both colonial and British duties were reformed in the interests of the colonists but too late to assist the industry in the Macquarie period.³⁹

Alexander Riley told the Select Committee on Transportation in 1819 that he believed only forty tons of oil had been sent home for several years. Colonial oil was virtually barred from London, and the American market was no better prospect since American firms could always undersell. The East Indies had been tried in desperation but this market also would not pay.⁴⁰ The third reason for the decline of the industry lay in the

39. See Steven in Abbott and Nairn (Growth), p. 302.

40. Alexander Riley's evidence Report from the Select Committee on the State of the Gaols, London 1819, p. 39. For a differing view of the usefulness of the Indian market see Steven, op. cit., pp. 300 ff.

state of the markets from about 1808 onwards but this subject warrants a chapter to itself.⁴¹

* * *

Before examining the markets in which the skins and oil were sold it seems fitting to discuss the work, remuneration and conditions of the men who manned the sealing gangs which caught the seals. In the first place we have no hope of making even the roughest estimate of the degree of profitability of the industry until we know how heavy a burden labour costs were on the industry. Secondly, the sealers were not ordinary workmen hired for wages but were a kind of entrepreneur themselves - although of a rather helpless and much abused type. Thirdly the sealing masters claimed they were great employers and feeders of men who would otherwise be a burden on government. For these reasons it would appear to be reasonable to include an account of the sealers in a study of Sydney entrepreneurs.⁴²

It is certainly true that Governor King encouraged the industry not merely because seal skins were "the only natural staple" discovered in the colony, but as an alternative employment to agriculture for he was concerned by the problem of the colony's surplus grain. The industry not only employed men on the sealing grounds and on the vessels that went there, but also in the yards which built and maintained the vessels.

41. See Chapter Nine below.

42. The sources chiefly used are the R. of A., especially Vol. I, Mitchell MSS A3609; from the S.C.P. a collection of miscellaneous agreements (drafts) and sundry court actions either between individual sealing masters, or between sealers and sealing masters, with the accompanying documents, all in the New South Wales Archives.

It is not easy to determine how many men went sealing. Only the muster of July 1804 tallied absent sealers separately, showing 123 "free men" off the Store "on the Islands at the Southward, and in coasting vessels, sealing." This number would increase as the industry expanded during 1805 and 1806. In December 1804 King reported that Campbell and Kable and Underwood had 180 men employed at the sealing islands. In October 1805 "two or three" ex-convicts (probably Lord, Kable and Underwood with Andrew Thompson) had 216 men sealing.⁴³ Probably about ten to fifteen per cent of the total male population "off the Store" were sealers or mariners by 1805-6.

The work force of a sealing firm like Kable & Underwood (later Lord, Kable & Underwood or Lord & Co) was divided into three groups: shipyard artisans, labourers and clerks on shore; the captains, officers and mariners of the sealing flotilla; and finally, the sealing gangs under their overseers. The workmen ashore were paid daily wages. The mariners were usually paid wages, with the master sometimes taking a share of the catch to whet his enthusiasm.⁴⁴ However, after about 1809 we find mariners being paid in lays at times, both of catches and of the proceeds of other voyages. The sealers themselves were paid in lays, that is, a specified percentage of the total catch of the gangs to which they belonged.

There was some blurring of these divisions. Some shore personnel occasionally went to the sealing grounds, as when cooper William Freeman

43. H.R.A. I, v, 40, 202, 371.

44. In spite of Robert Campbell's endeavours to persuade him to captain the Sophia on wages, William Collins insisted on a share instead; see Campbell to Collins, Appeals Court Papers, Kable & Underwood v Collins 1805, N.S.W. Archives 4/6605.

was paid £120 to go to King Island to make barrels.⁴⁵ Mariners on wages were paid in lays for any skins they procured while their vessels were moored at the grounds. In June 1803 Kable & Underwood agreed their mariners should receive a 100th lay of such skins in addition to their seamen's wages. (The regular sealers were on an 80th lay.) This may have been a common practice. Of some 129 Lord & Co mariners and sealers between 1805 and 1808 twenty two were purely on wages, seventy purely on lays, but twenty were credited with both lays and wages. (A further seventeen were probably on lays but the records do not show their precise terms of hire. Of these some died on the grounds and some absconded.) Ordinary sealers seem to have received from a 75th to about a 100th lay.

Sometimes a man who was later added to a gang on an 80th lay would receive a 160th lay, in effect receiving at the same rate but for half the time. Overseers were paid more generously - a 25th was common. The occasional 40th and 50ths probably went to men of considerable experience or extra responsibilities. Payment for oil gathered on the grounds varied. William Rook, sent with a gang to procure 300 tons of oil at King Island, was paid £120 flat fee, while he was to receive a 33rd lay of any skins incidentally procured.⁴⁶ A John Williams in Lord & Co's employ who received a 33rd share of 2,825 skins also helped to boil down 93 tons of oil. Instead of receiving a 33rd of the oil he was paid at

45. R. of A. I, No. 289, Mitchell MSS A3609.

46. For Kable's account see "Payments Made to the Different persons Employed Sealing and Oiling in Several Parts of Bass Straits, King's Island & Kangaroo Island, etc" (hereafter Kable Sealing Account) Lord v Kable & Underwood, Court of Civil Jurisdiction, Case Papers, Cause 315, N.S.W. Archives 2279; for Rook's agreement, see R. of A. I Nos. 292, 293.

8s a ton for 93 tons, that is he and his fellow sealers had settled for 8s a head for every ton landed.⁴⁷

The lay of sealskins was not a share of the profits of the catch, nor was it normally a cash payment based on a percentage of the gross value of the catch at Sydney prices. In theory a sealer who had a 100th lay on a catch of 1,000 skins was entitled to ten skins to sell or keep as he pleased. In reality his choice was more restricted for sealers were normally in debt to their employers for spirits and other goods supplied prior to the voyage or perhaps to their Sydney dependents during the voyage. A small batch of skins was of little use to a sealer, so even a "creditor sealer" normally would sell his skins to his master at from 2s 6d to 4s a skin.

We need not expect much money changed hands. Sealers would take their pay in "currency", small notes of hand, or in rum or other goods, or by having their debts with other tradesmen settled by their employer. The goods would be sold to them at inflated prices, a very profitable system to their employers, all of whom were dealers. Henry Kable was a general trader and publican and we can discern these "company store" practices in his accounts. The 129 individuals listed include twenty who absconded or died. All of the twenty were in debt to Lord & Co for amounts varying from five to more than thirty pounds. A Samuel Stanyard who was fortunate enough to share in a catch of over 50,000 skins on an 80th lay worth £84 19s 6d ran away still owing the firm £1 2s 9d. The word

47. See Kable Sealing Account.

"overpaid" in balancing accounts occur frequently enough to suggest sealers could end a voyage in debt to their employers.⁴⁸ A Campbell boatswain-sealer, Jeremiah Harrigan, earned £148 16s 6 $\frac{1}{2}$ d over a period of two years, which he was paid in slop clothing, tobacco, a little cash, and by Campbell honouring money orders signed in favour of various individuals, mainly tradesmen.⁴⁹

Harrigan's experience is suggestive. He sued his employer and was awarded an additional £29 7s 3d but £178 3s 9d was an unimpressive return for two years work as both mariner and sealer - his wages as boatswain, £5 10s a month, would have netted him £132 with less hardship. Lord & Co's employees fared little better. Of some 70 employees who were paid in lays during 1805-8 few made as much as £30, and even they had usually earned wages as well. (Since Kable did not trouble to record the dates between which the lays were earned we can only assume that these petty sums were the fruits of a single season. Unhappily some of the men may have been marooned for longer periods for so little reward.) However, twenty five men were fortunate enough to catch 56,692 fur skins and were paid for their lays at 3s a skin. Of these one was Joseph Oliphant, master of a sealing vessel, whose 16th share brought him £607.10s. The other twenty four consisted of one man on a lay of 160th who received £53 2s, eight men

48. See Kable Sealing Account.

49. Harrigan's earnings were made up of an 80th lay of oil and skins, the proceeds of some New Zealand spars and Newcastle coal, plus compensation of eight weeks short provisions, *Harrigan v Campbell*, Court of Civil Jurisdiction, Proceedings, Vol. 9 Cause 42, N.S.W. Archives 1107. Underwood hired a carpenter, James Evans, to work on the Commerce until she was finished for 5s a day " $\frac{1}{2}$ in money and half in property", R. of A. I, No. 1033, Mitchell MSS A3609.

on a 90th who received £94 8s 6d, nine men on an 80th who received £106 5s 6d and two men on a 78th who received £108 18s. The size of the catch strongly suggests they took the skins at Antipodes Island, probably over at least two seasons. If so even the men on a 78th lay earned no more than a pound a week and their keep or even less. Later sealers fared little better. One MacDonald told Commissioner Bigge in 1820 that he first went sealing to New Zealand in the Governor Bligh. He was on a 75th lay and was out seventeen months. More experienced workmates were on a 60th. The gang took 11,500 skins giving him 153 which sold in Sydney for 5s each. At a time when lays were more generous and prices of skins in Sydney higher he still only earned £38 5s and his keep in seventeen months.⁵⁰

We could more easily evaluate these earnings if we could compare them with wages ashore. Exact comparisons are impossible, but it is suggestive that Underwood paid his labourers in the 1805-7 period 4s a day, and his artisans from 6s to 8s a day. These wages would be chiefly for carpenters' and blacksmiths' work and sailmaking in the boatyard, and at a time when the master of a sealing vessel might earn as little as 120s a month they were not unfavourable. The captain's employment may have been more regular but it was also very hazardous and tradesmen working for Kable & Underwood seem to have enjoyed reasonably steady employment.

50. Bigge Appendix, B.T. Box 11, pp. 4569 ff, Mitchell Library. His voyage was probably in 1810 for the Governor Bligh brought back "about 10,000 skins" in that year.

In January 1806 Underwood contracted to employ William Regan, carpenter, for twelve months at 6s 6d a day, and with James Brown for eighteen months at 5s 6d a day. In December he agreed to employ carpenter William Careless at 6s 6d a day until "the Commerce was complete". Indeed it may be that the employees were less eager for long contracts than were the employers, for in May 1806 Underwood signed an agreement with William Brown, carpenter, at 5s 6d a day for three months or 6s a day for nine months.⁵¹

William Howarth, probably a carpenter, earned (at 7s a day) £28 7s between 24 October 1807 and 24 January 1808. The next week he only worked one day and most Underwood artisans seem to have been laid off during February. However from the second week in March to the week ending October 1 Howarth was usually in work and earned £45 0s 3d. Work then slackened (or he was ill) until the closing of the account on November 5. Nevertheless in spite of lay offs and "short weeks", Howarth had earned £75 during the twelve months.⁵²

Unskilled labourers and probably the majority of sealers were unskilled, were only paid 4s a day and their employment, with a particular employer, was no doubt very irregular, but there seems to have been no lack of casual work in the colony judging by the complaints about high wages.

51. Cf. R. of A. I Nos. 1034-6, 1040, Mitchell MSS A3609.

52. From Lord & Co, but of course he might have had other earnings; "Payments made to Tradesmen, etc as per Ledger B", Lord v Kable & Underwood, Court of Civil Jurisdiction, Case Papers, Cause 315, N.S.W. Archives 2279. A butcher, hired by master butcher Matthew Kearns in Feb 1805, was paid £24 a year and his food. He was probably unskilled; R. of A. I No. 567, A3609.

Moreover it would have required little capital for two able-bodied men to set up as sawyers, earning ten shillings per hundred feet. Since wages suggest that the supply of labour was often unequal to the demand, we may well ask why men chose to go sealing at all? Perhaps their motive was not based on any rational expectation of gain, but more akin to the gambler's instinct which lured so many men into gold prospecting at a later date. If a lucky gang found an untapped ground, and took a huge catch, the individual returns might be very substantial. Moreover unlike Underwood's shipyard workers, the sealers would receive their earnings in a lump sum. The far sighted might reckon that one or two good seasons on the grounds could earn them enough capital to establish a business or buy a farm. Meantime the sealers could console themselves with the thought that they were being kept, and while on board ship, housed, at their employer's expense.

The sealers may have embraced their fate for many reasons, including the desire to get away from wives or family responsibilities, from the scene of penal humiliations, or since they were as thirsty as any of their contemporaries, because they found the "work and then bust" alternations enticing. Unquestionably some men embarked with an enthusiasm bolstered by ignorance of the conditions they were to encounter.

These conditions were often appalling. The sealers may have fed at their master's expense, but they did not feed well. A gang of men hired by Simeon Lord in 1804 signed articles which specified their weekly ration as seven pounds of meat, ten of flour or biscuit, one pound of sugar

together with ten bags of rice "for the voyage" and "tea or Grain for Coffee".⁵³
 A pound of meat a day for men working in those latitudes - they were bound for Antipodes Island south of New Zealand - could hardly be described as princely, while the two ounces of sugar a day is scandalous. The absence of green vegetables was unavoidable but fruit juices could have been provided.

The ration was minimal and an invitation to scurvy, but the men would have welcomed even these dismal commons if they had regularly received them. In fact sealing gangs were always exhausting their rations long before relief came, and existing for months on a diet of seal flesh and seal oil, sea weed, sea bird's eggs and fish. The Bass Strait sealers could sometimes supplement their inadequate diet with wallaby stew and mutton birds. Even so in 1805 a boat from Cape Barren rowed to Port Dalrymple to beg provisions from Lieut-Governor Patterson for twenty men in Kable & Underwood's employ. A Campbell crew in the same area had been ten weeks without provisions, and were "languishing in cold and hunger."⁵⁴ Campbell usually allowed seven pounds of flour or biscuit (a ration more meagre even than Lord's). When rations were exhausted the men were compensated at a rate of 10s a week - cold comfort for a starving man.⁵⁵

Governor King had no intention of subsidising the sealing masters by feeding their gangs at the Crown's expense, but was moved by the plight

53. See *Wild v Lord* and *Hoof v Lord*, Court of Civil Jurisdiction, Proceedings, Vol. 4, N.S.W. Archives 1101; also Dixson MSS Add 156.

54. *H.R.N.S.W. v*, 688.

55. *Wood v Campbell*, Court of Civil Jurisdiction, Proceedings, Vol. 9, Causes 12, 20, N.S.W. Archives 1107. It has been recently established that seal oil is injurious to human beings.

of the sealers. In September 1805 he issued an order castigating the sealing masters who had "negligently trifled with the existence of their fellow creatures." He was also incensed that employers so neglected their sealers prior to their embarkation that they had few alternatives to pilfering to keep themselves alive.⁵⁶ In future, King ordered, the masters must maintain their sealers until their vessel sailed, or the sealers would be free to break their articles without penalty.

King extended the recognisances which sealing masters had had to sign since 1803 to include the duty of placing adequate provisions on the islands with the gangs. If a gang sought Government help because of an owner's neglect not only would his bond be forfeit, his vessel would never be given a clearance again. Moreover owners would be charged for such provisions at 10s a pound. King told Under Secretary Cook the order had been very necessary "to relieve the people they employ from the Danger of being starved on the Isolated places."⁵⁷

Unhappily such orders were easier to issue than enforce. The sealing masters did not consider the Governor's writ had much validity among the reefs and passages of Foveaux's Straits or the bleak Antipodes Island. As a Lord employee bitterly told the members of the Court of Civil Jurisdiction in 1807:

56. It was customary only to pay the men until they had signed the articles - then they came on the lay; Court of Civil Jurisdiction, Proceedings Vol. 11, Cause 301, N.S.W. Archives 1109, and Case Papers, ibid. 2286.

57. King also ordered that no married man should be shipped unless his master gave bond of £200 to support his wife and family if he was pressed by or absconded with American sealers. H.R.N.S.W. v, 688; H.R.A. I, v, 571-2.

I can scarcely depict the hardships endured by these unfortunate [sealers], more especially on the Island [Antipodes] where I was left - an island where there was no wood to cook provisions (provided I had any to cook). The only substitute we had for fuel was the Fat of Seals; and the only sustenance that many had was no more than the insides of seals and birds. Consider, Gentlemen, that on such occasions, humanity is set apart, and that the owners have no commiseration for their fellow creatures. No, they have none. They enter into engagements with Individuals that they consider unworthy of notice - and after enticing them into an Engagement under pretended firm principles and sending them to desolate Islands to heap up riches for themselves - the Unfortunate Victims are then unknown and not thought of, and Galley Slaves have a preferable life.⁵⁸

Robert Campbell's employees fared no better when they fared no worse. In November 1809 Captain Mason of the Campbell-chartered schooner Brothers left Thomas Brady and seven other men on the "Isle of Wight" off New Zealand with twelve weeks dry and six weeks salt provisions. After twenty weeks on the island, during which they gathered 2,000 skins, their supplies were naturally long exhausted. They went therefore to Ragged Rock leaving directions in a bottle tied to their skin stack. From then until December of 1810 they alternated between Ragged Rock and the island, existing on a diet of seal flesh and fish. Their skins were picked up during one of their absences by Mason who later claimed he found no clue to their whereabouts.

On December 20 despair and starvation drove them to embark on a hazardous open boat journey to Foveaux Strait where by chance they were picked up by the Campbell schooner Boyd. They reached Sydney in late January 1811. Mason had gone to their relief about four months late, and in all they had been more than a year without fresh provisions. Brady sued Campbell and was awarded \$25 compensation for his sufferings.⁵⁹

58. Evidence of Hans Christian Roof, Dixon MSS Add 136; Hainsworth (Builders), p. 101.

59. Brady v Campbell, Court of Civil Jurisdiction, Proceedings, Vol. 8, Cause 147, N.S.W. Archives 1105.

On say, an 80th lay, his unfortunate companions would have netted, at 5s a skin, £6 5s for their year's exertions.

This story is not exceptional. The gangs Bellinghausen encountered at Macquarie Island in 1820 had been there six and nine months respectively, and their provisions were exhausted. Relief was months away. Their foreman had spent the past six years on the island without break, but this was presumably by his own choice. The conditions under which he lived, if unsalubrious, were positively luxurious by comparison with those of less fortunate sealers. He lived in a turf hut lined with skins about twenty feet long by ten broad.

At one end there was a small hearth, and a lamp was always kept alight. On the hearth, as wood and coal were unobtainable there was burning a piece of sea-elephant blubber and melted fat was used for a lamp. Beside the hearth was a bedstead. Provisions were stored at the other end. Inside it was so black and dark from the smoke that the smouldering light from the lamp and from the holes in the wall over which bladders had been stretched scarcely lit the interior of the hut, and until we got accustomed to the light the sealers had to lead us by the hand.⁶⁰

In 1809 the Eliza found at Kangaroo Island a party of six under Joseph Murrell who had been without relief for three years. As their provisions ran out in three months they had existed ever since on "the flesh of wild animals". The Eliza had to leave four of these outcasts behind.⁶¹ They were in any event in happier case than the five men the Perseverance found at Solander Island in 1813. Some had been there four and a half years, others for three. Among them was an aborigine who had lived

60. Frank Debenham, Ed., The Voyage of Captain Bellinghausen to the Antarctic Seas 1819-1821, Hakluyt Society, Second Series, No. XCII, 1945, Vol. II, pp. 367 ff.

61. Sydney Gazette, 16 Apr 1809.

on "terms of perfect amity and understanding" with his fellow sufferers.

The Sydney Gazette's description is matter of fact but poignant:

They were clothed in seal skins, of which their bedding also was composed, and their food had been entirely made up from the flesh of the seal, a few fish occasionally caught, and a few sea birds that now and then frequented the island. The birds they always salted for winter stock; the catching of fish was very precarious, and the flesh of the seals they entirely lived on during the summer season. They attempted to raise cabbage and potatoes of which plants one of them happened to have some of the seed ... but their first and every subsequent experiment failed owing to the spray ... in gales ... washing over the whole island They had long endured calamity but until the last few months of their relief, entertained some hope of succour which from a length of disappointment had gradually immersed into a state of utter hopelessness.⁶²

The New South Wales Court of Civil Jurisdiction may not have been insensitive to the injustices suffered by sealers. Suits against sealing masters seem to have received a sympathetic hearing, and damages were awarded against their employers. However it is usually difficult to establish which points the sealers gained and which they lost since they only received a portion of the damages they sought.⁶³

In conclusion sealers lived a harsh and sometimes dangerous life. Some were drowned, some were murdered by Maoris, scurvy ate into others.⁶⁴ Many were marooned for months, even years, on islands bare of vegetation and often swept by spray. They waited out their sojourn destitute of articles which even the poor of Sydney would have considered necessities.

62. Sydney Gazette, 24 Jul 1813. The previous group under Murrell were probably Lord & Co employees. The employer of the Solander Island party is not known.

63. There were instances of successful appeals to the Governor leading to increased awards, e.g. Wild and Hoof v Lord, Dixon MSS Add 136, in which the total sum involved was more than £300 apiece.

64. The master of the Boyd in 1811 "received the mortifying intelligence of several boat's crews in various employs having been barbarously murdered, and mostly devoured, by the cannibal natives Three men, who had fled from agang ... and had gone among the natives ... were also killed and devoured, and thus sadly atoned for their desertion," Sydney Gazette, 30 Mar 1811.

Surrounded by the stench of curing skins and rotting carcasses, the seals their only source of shelter, light, food and even clothing they endured winters during which they rarely saw the sun. Summer brought only precarious relief, for bad weather often drove off relieving vessels before they could fully discharge their stores or take on their skins.

The difficulties encountered by vessels large and small is clear enough indication of the weather the gangs endured. The schooner Independence, built by Americans at Kangaroo Island and bought by Simeon Lord, was engulfed on passage from Antipodes Island. A few years later the Campbell Macquarie was cast away at Macquarie Island. In 1816 the crew of the Betsy died one by one of scurvy as their vessel was driven helplessly about the Tasman.⁶⁵ But at least the mariners of Port Jackson, faced by hardship and danger, were paid and fed. The evidence suggests that the sealers enjoyed scant reward for their part in establishing one of Australia's earliest industries.

65. The Betsy had a crew of nineteen, including six "lascars and Chinamen". An officer, one sailor and four of the lascars survived, although only chance spared them from the cannibalism of the Maoris into whose hands they fell, Sydney Gazette, 12 Oct 1816; Hainsworth (Builders), pp. 102-103.

Chapter Nine: Sealing: The Markets.

When the colonists first pioneered the industry the obvious fur market was Canton. British and American shipowners were already engaged in a profitable fur trade between the North West Coast of America and Canton. It did not need Bishop's voyage of 1799 to show the likeliest market for seal skins. The problem was how to get them there. Transports sometimes went on to China after depositing their human freight in Sydney, and occasionally an American vessel would call, Canton-bound. Skins could be sold to their masters or freighted at the owners risk, but these were an irregular and unreliable resource. Seal skins were very perishable. Skins for China were normally dried not salted and were very liable to attacks from worm.

The advent of Robert Campbell seemed to offer a solution. Almost at once he built himself a first-class warehouse in which perishable goods could be stored with some degree of safety. Men like Kable and Underwood found they could either sell their skins to Campbell or sell them through Campbell & Co's agents at Canton. The proceeds of the sales would be credited in their account with Campbell. Other smaller sealers would doubtless use Campbell's services similarly. Campbell acted as broker in Sydney, selling goods to local entrepreneurs, like Kable and Underwood and Andrew Thompson, and taking payment in skins or oil, or in the proceeds of skins and oil sold in Canton on his client's behalf.

In 1802 four transports carried a total of 11,250 Kable & Underwood skins to Canton where Campbell's agent sold them for £1,614. Early in

1803 a further shipment of 10,200 skins was sent on Campbell-controlled vessels via Pegu, and brought even poorer prices. The five shipments averaged little more than two shillings a skin net, a very poor return indeed. Campbell's agent may have blundered, or the skins may have been damaged, for better prices were obtained by other agents at about that time. Nevertheless, the fact was that although the Chinese would usually buy seal skins they would rarely pay a good price for them. Shortly before the fifth cargo sold Simeon Lord intervened. Observing the low prices Kable and Underwood had achieved in their first four shipments, he requested Campbell's Canton agent to divert the fifth shipment to London for sale there by his own agents. The request arrived too late but Lord and the two partners joined forces, and in the new firm Lord was to be responsible for marketing the skins. Henceforth their sales were chiefly in London.¹

Happily for the Sydney sealers their industry began to burgeon at a time when seal skins had recently become a valued commodity in England. During the 1790s a Thomas Chapman invented a technique for separating the fur of the fur seal from the coarse hairs, salt and oil which rendered it useless for industrial purposes, particularly hat making. Poor Chapman's discovery was pirated and in spite of Sir Joseph Banks's patronage, he was still seeking official compensation in 1817. Banks himself confirms that fur skins were of little worth in 1798, and that the southern whalers had

1. For Campbell's transactions with Kable & Underwood see Kable & Underwood v Campbell, 1807, Appeal Court Papers, N.S.W. Archives 4/6606, pp. 39-117. For an insurance policy on some of the skins see Dixon Library MSS Add 75.

almost abandoned sealing until Chapman's discovery. Then prices rose to from thirteen to fourteen shillings for medium and up to thirty shillings for large skins. A hat worth a couple of shillings could be sold for more than a pound if covered in seal fur.²

Robert Campbell and Simeon Lord were the first colonial sealers to test the London market. In 1803 King permitted them to ship small consignments of skins and oil on the Glatton. Lord himself sent 2,000 skins and eight tons of elephant oil. The oil probably sold at from thirty five to forty two pounds a ton. In 1804 the Sydney Gazette reported Bass Strait skins were selling for twenty to twenty five shillings (i.e. the very best skins in top condition). The Banks Papers reveal that 5,756 skins imported in 1803 averaged ten shillings a skin: these may have been Lord's and Campbell's.³

Certainly prospects must have looked bright for the Sydney sealing industry, and this explains the activity in colonial boat yards during 1804 and 1805. Combined with Governor King's enthusiasm for the infant industry, it apparently led Robert Campbell to send the Campbell country ship Lady Barlow to London with a large cargo in 1805, a grave breach of the terms of her licence, rendering her liable to seizure and confiscation along with her cargo.⁴

-
2. For Chapman and skin prices, see the "Petition of Thomas Chapman" in Autographs, Mitchell Library MSS A5 p. 5; also Banks Papers, Brabourne Collection, Vol. 4, pp. 102-3, 231-6, 243-4, 247-8; and the pamphlet A Narrative of the Case of Mr. Thomas Chapman ... with the Evidence adduced before a Committee of The Honourable House of Commons ..., London 1810, Dixon Library MSS 81/83-4 (Safe).
 3. H.R.N.S.W. v, 387-8; B.T. Box 12, p. 41, Mitchell Library; Sydney Gazette, 3 Jun 1804; Banks Papers, Brabourne Collection, Vol. 4, pp. 102-3.
 4. A detailed description of this incident from a different point of view is in Steven (Campbell).

Campbell was fortunate. Although the British south whaling lobby was already fearful of colonial competition in the oil industry, and spurred on the incensed but cautious East India Company, the vessel was not confiscated, and although Campbell was not permitted to sell his cargo on the open market he was allowed to sell it for re-export. Nor is it true, as is sometimes said, that Campbell lost £7,000 by the venture. That figure was his agent's estimate of the additional profit he might have made if allowed to sell the cargo on the open market. Even exported and sold for unfavourable prices the cargo of 14,000 fur skins, 260 tons of oil and 100 tons of beef wood, realised £10,170. From this the agent, William Wilson, deducted £2,000 lost through leakage, demurrage, decay, non-employment of the ship, etc. Wilson conveniently forgot this loss was not due to having to sell for export, but was due to the temporary seizure of ship and cargo. Moreover some deductions are odd. Demurrage would be a charge owed by Campbell & Co to Campbell & Co since they owned the ship. No legal employment for the ship could have been anticipated. (In fact as a result of Campbell's partial victory, the ship was allowed to sail for India with a Government freight - an unexpected bonus.)⁵ Governor King anticipating Campbell's rashness would lead to trouble, had declined all responsibility for the venture. However, he was sympathetic, hoping Campbell would get away with it, and wrote enlisting the support of Sir Joseph Banks, pointing out that sealing

... has answered so well and indeed is our only Staple produce that can be considered as Commercial at present.⁶

5. See Wilson to Banks, H.R.N.S.W. vi, 100-102.

6. Banks Papers, Brabourne Collection, Vol. 7, pp. 245-5, Mitchell MSS A78-6.

Similarly Lieut-Governor Paterson enlisted Banks' support, writing that Campbell had engaged in the sealing with "great spirit":

In this employ he on average provides for sixty persons. His merit, in my opinion, deserves encouragement.⁷

Campbell, he reported, had also sent home 10,000 skins on the Albion. In fact the Lady Barlow affair scarcely seems to have affected the colonial sealing industry, the chief exporters being fertile in stratagems to circumvent the orders against colonial ship-owning. Campbell himself, perhaps with Banks' help, got an Order-in-Council permitting the Campbell ship Sydney, then loading in Sydney, to bring another large cargo to London. Unhappily for Campbell an exaggerated report of the Lady Barlow's situation delayed her sailing until the Hawkesbury floods, which moved King to send her to India for provisions instead. She was cast away on the coast of New Guinea uninsured, a heavy blow.⁸

Campbell's disappointments were avoided by Simeon Lord, who was now ready to make his mark on the London skin market. Between the Albion's consignment in 1805 and the Experiment's in 1810 Lord, alone or with others, exported the following skins and oil to London, where they sold for the net prices stated.⁹

7. Banks Papers, Brabourne Collection, Vol. 4, pp. 173-4, Mitchell MSS A78-3.

8. Years later, in belated compensation, Campbell was granted the rolling acres on which the Australian capital now stands, Steven (Campbell).

9. These prices are the ones Plummers credited Lord with after deducting all London expenses. The table is based on the Lord-Plummer accounts and correspondence 1805-1810, Plummer v Lord, Kable & Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286. Lord exported more than 200,000 skins to London between 1806 and 1810. The master of the Santa Anna reported in March 1809 that he had 20,000 skins on board and expected to load another 10,000 before sailing for England, Sydney Gazette, 19 Mar 1809.

				£	s	d
1805	"34 cases of seal skins" per <u>Albion</u>			334.	5.	8
1806	17½ tons of oil per <u>Alexander</u>			444.	6.	4
	Compensation for skins thrown overboard from <u>Alexander</u>			492.	6.	0
	Insurance paid on damaged skins per <u>Alexander</u> , paid various times			700.	11.	5
	34,338 skins per <u>Honduras Packet</u>			5,006.	9.	8
1807	20,507 " " <u>Ceres</u>			4,282.	2.	0
	17,000 " " <u>Britannia</u>			3,037.	9.	0
1808	19,823 " " <u>Star</u>			10,161.	11.	6
1809	32,195 " " <u>Sydney Cove</u>			6,636.	6.	6
	17,550 " " <u>Rose</u>			1,213.	4.	2
	c.36,000 " " <u>Brothers</u>			c.3,600.	0.	0
1810	10,593 " " <u>Pegasus</u>			?		
	9,805 " " <u>Experiment</u>			?		
	c.20,000 " " <u>Santa Anna</u>			?		

Whereas Campbell usually moved his skins on returning transports, Lord preferred clandestine ownership as we have seen, which was risky but effective.¹⁰ One such vessel, the Star, took £10,000 worth of skins to London in 1808.

The figures of Lord's sealing operations are interesting because they are the only definite figures we have showing the continuous transactions of a Sydney sealer in the King-Bligh period. Only an accident has preserved them. Robert Campbell's papers have been destroyed.¹¹ Of such other leading sealers as Palmer, Reiby, Thompson, there is no evidence that they ever marketed their skins directly in London. They were doubtless content to sell to Campbell, Lord or ship's captains. If the profits were less exciting they were also more certain. This brings us to the final question: how profitable was the industry to the individual sealing masters?

10. He also chartered vessels to go sealing, like the Aurora in 1810, or to carry skins to market, like the Favourite and Honduras Packet in 1806, and the Ceres in 1807.

11. See also sales of skins by Dart one third owned by John Macarthur and Carnham Blaxcell, Macarthur Papers, Vol. 6, Mitchell MSS A2902.

The costs of colonial sealing may have been quite low. Chief costs were construction, maintenance and loss by wreck of the vessels engaged, and the wages of their officers and crew. High wages and shortages kept boat yard costs high but only a proportion of these should be considered sealing expenses, since their owners, as we have seen, employed their vessels in other enterprises. We have some accounts for Lord & Co which show that the five vessels built by Underwood were valued for partnership purposes in 1805 at £11,400. Underwood charged the concern in 1808 with £21,044 for work carried out on these and the other vessels bought later. Kable, ships' husband to the firm, charged sixty one accounts for outfitting ships owned or under charter to a total of £25,864. He also paid tradesmen and labourers £725 and £931 respectively, purchased £6,333 worth of goods and equipment, as well as keeping an account of £6,622 paid to sealing gangs. With the exception of the last, all these accounts, even if not padded, must include a considerable proportion of expenses incurred in such non-sealing ventures as coasting, sandalwood, pork and whaling. Moreover Kable and Underwood would themselves be quoting in sterling costs they had largely met in kind at a personal profit to themselves, as we saw in the analysis of the payments to sealers and labourers in the preceding chapter.¹²

It seems highly likely that the smaller sealing masters who sold their skins in Sydney to men like Campbell or to passing ships found the

12. For these and other accounts see *Lord v Kable & Underwood*, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2279. For Kable's Shipping account see Appendix F.

industry moderately profitable even if it is impossible to cite specific amounts of cost and profit. For those who exported the position is more complex. As we have seen China was a dubious market. How much more profitable was London?

The fragmentary records make it clear several factors governed the success or failure of individual consignments sent to London, but between 1805 and 1808 skins arriving in good condition usually brought a good price. After 1808 demand for skins fell at a time when the volume of skins arriving was high. The skin market became involved in that general depression of trade which was partly due to Napoleon's Continental System, partly to American retaliatory measures against the British blockade, and, after 1812, to the American war.

Even in the good years the business appears to have been risky and uncertain. The voyage to England was long and hazardous. The war with France increased insurance premiums; twelve per cent was customary, thirteen to fifteen per cent common enough and even eighteen per cent encountered. Fortunately the underwriters usually allowed a rebate of from two to four pounds per cent if the ship sailed in convoy from St. Helena. This was a meagre compensation for the heavy premiums, a burden which cut deep into profits. Between 1804 and 1809 Lord for himself and partners spent at least £9,092 on insurance premiums on skins, oil and the ships that carried them. This astonishing figure, after insurance cancellations and premium rebates for convoy have been deducted, can be reduced by £5,532 to £3,559 (to nearest pound). From this may be deducted the £700 paid by the underwriters on damaged skins. Even so £2,859 is

a high price to pay to insure consignments which only realised about £21,480. Further inroads on profits were made by the handling charges, warehouse fees, occasionally auctioneers' fees, brokerage, (normally two and a half per cent). Freight was not usually high for ships' captains could get no other and were bound for London, freight or no freight. Ten pounds a ton was a common charge.¹³

Another important source of loss was damage to skins. It is quite possible that no more than half the skins reached their market unharmed. Bad curing or bad packing in Sydney or on the islands or carelessness on the part of ships' officers or warehousemen would damage the rest. Although in the good years most damaged skins brought better prices in London than whole ones in Canton, this still represented a substantial loss to the exporters. Only about 400 of the near 20,000 skins by the Star were damaged: the result was an average price of ten shillings. On the other hand of more than 20,000 by the Ceres only about 400 were undamaged, and the cargo only averaged four shillings. (For this Plummer blamed the captain.)¹⁴

Thus there were hazards even in the good years. After 1808 the market went sour, demand fell, prices sank. As Plummer reported:

13. Lord-Plummer accounts, correspondence, Plummer v Lord & Co, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286. Lord freighted skins on the Boyd in 1809 for £12 a ton, however, H.R.A. I, vii, 292.

14. T.W. Plummer to Lord, 20 Apr 1808, Plummer v Lord & Co, Case Papers.

The state of the market ... has unfortunately not answered the expectations of it we had formed from our sales by the Star, for in consequence of the great advance at which that sale went, the price of [seal] wool to the consumers has been so much that they have been endeavouring to find substitutes for ... the hat manufactory The state of the Continent and the American embargo has also very much depressed British manufactures. ¹⁵

Plummer expected a change for the better, but he was over-sanguine. He observed that the Dart and Brothers had arrived with 60,000 skins and hoped that Hulletts would keep the skins off the market until the price recovered. ¹⁶ In fact the Dart's skins were not sold until 1809, when they grossed £7,329 or a beggarly average of three shillings and eightpence halfpenny gross. From this had to be deducted about £902 in sundry charges, and further large sums due the crew, and for pilotage and other maritime expenses. ¹⁷ The Dart had a losing voyage, which was a bitter blow to John Macarthur and Carnham Blaxcell who held each a one sixth share in her. Macarthur was still in debt to Hulletts for his share of the expenses in 1813. At the same time Plummers, who had earlier turned down good offers for the large cargo by the Sydney Cove, in the hope of higher prices, only netted an average of about four shillings a skin when they finally sold them. For this expensive error Lord never forgave them.

All this seems a long catalogue of difficulties and disappointments. Was sealing then a waste of effort, an unprofitable blind alley? Surely not.

15. T.W. Plummer to Lord, 16 Oct 1808, loc. cit.

16. Lord had an option either to buy one third of the Brothers and her cargo on arrival in London or take ten per cent of the profits on her skins. Plummers exercised the first option for £4,000, an unfortunate decision.

17. The figure of £902 included: duty, entry, etc, £300; discharging ship £12 12s; lighterage @ 1s a doz, £16 9s 2d; sorting @ £1 a thousand, £23 14s; turning @ 3d a 100, £2 19s 3d; warehousing @ 3d per 120 per week, £109 14s 8d; telling out @ 8d a 100, £7 18s; fire insurance £48; broker's bill, £80 5s 4d; commission and "del credere" @ 3½ per cent on £7,329, £256 10s 3d, Macarthur Papers, Vol. 6, Mitchell Library MSS A2902.

As we have seen Sydney entrepreneurs turned to sealing in search of a staple. Certainly this was the fundamental purpose of Simeon Lord. Although the industry's heyday was brief, and on the showing of the London wartime market, sealing was an enterprise of uncertain merit commercially, we must not dismiss the industry as unimportant to New South Wales. With all its drawbacks and disappointments it did help to bridge the gap until genuine, long-lived staples could be developed.

Lord wanted to establish credits in London. Unlike Campbell, an outlying member of a Calcutta firm who saw the seal trade partly as a way by which his customers could pay their debts, partly as a way by which his firm could pick up a profit in London, Lord surely saw the industry as a means to one end. That end was to be able to give to captains bringing merchandise bills as readily acceptable as sterling: bills drawn on the respected house of Plummer & Co, which would be honoured because Plummers knew skins and oil would arrive to support them.

Lord achieved this aim. On 13 May 1808 Plummers sent Lord his annual account which showed an unfavourable balance of more than £7,500 against Lord himself and against Lord, Kable & Underwood combined. In spite of this substantial debt run up by three ex-convicts, two of whom could neither read nor write, Plummers had also honoured Lord's bills or obligations for a further £20,000. Thus these London brokers were prepared to extend a credit of £27,000 simply on a basis of Lord's ability to send cargoes of skins and oil.¹⁸

18. T.W. Plummer to Lord, 13 May 1808, Lord-Plummer correspondence, Plummer v Lord & Co, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286. Lord had bills worth £60,000 or more honoured by Plummers in less than five years.

Lord's success in establishing credit with seal skins - his running account with Plummers amounted to £54,094 16s 8d on his personal account and £48,025 10s 1d on Lord & Co's account by 1809 - contrasts vividly with Robert Campbell's lack of success in paying debts with skins after 1811. Between 1811 and 1812 Charles Hook sent at least 90,000 skins to London in five shipments, and more in 1813. At this time the financial depression in London and Calcutta, and, in miniature, in Sydney, had Campbell & Co by the throat. Yet even consignments on this scale did little to help. Bad packing and curing lowered their value, and doubtless a depressed market was depressed still more by imports on such a scale. Campbell's creditors were snapping for every bone, and the sales could not await more favourable prices.¹⁹

This suggests that although the colonial sealing industry was useful to small men paying small debts, or establishing modest credits with wholesalers like Campbell or Lord, and useful to the large wholesaler like Lord who wished to establish credit abroad, as a staple seal skins were a failure. Thanks to indiscriminate killing there were not enough seals. If there had been there would not have been enough hat manufacturers to buy them at profitable prices. The high prices of 1806-8 were a flash in the pan. At Canton prices were always low, and payment sometimes difficult to collect quickly. The modest success of men like Joseph Underwood in the later Macquarie period was due to the fact that few men

19. See Hook Letter Book, Mitchell MSS (Uncat.) Set 109, Item 1.

were in the industry. There were only a few men slicing a modest cake.²⁰

None of this should obscure the fact that sealing had a most important influence on the central theme of the period 1788-1821 in New South Wales: how a dismal prison farm became a healthy colony. In this transformation the Port Jackson traders played a vital role and sealing gave many of them their financial start. Moreover, brief as it was, the industry helped launch the colonial ship and boat building industry. This in turn made possible increased contact with the Pacific Islands, which thereby became Sydney's commercial frontier.

Finally the industry gave employment directly on the sealing grounds, indirectly on the ships and in the boat yards, to hundreds of settlers who might otherwise have had to engage in agriculture, to which most would have been utterly unsuited, except as day labourers perhaps, and even those who would have made successful farmers would have been an embarrassment to the colony by growing still more grain for a market which was often overstocked. Governor King had felt the need for more avenues of employment to lead men away from agriculture. That need the sealing masters had helped to fill. If its heyday was brief, and if at times it proved disappointing to those who engaged in it, the Sydney sealing industry nevertheless helped to shape the colony of New South Wales.

20. Dr Steven suggests that interest in the Canton market revived after 1810 where by 1820 skins were regularly selling for 5s to 8s, and that the industry remained profitable. This is no doubt true for the restricted number of men who took part in it. However, her statement that skins sent to England "generally fetched 10s each" needs heavy qualification, as we have seen, Abbott and Nairn (Growth), p. 300.

Chapter Ten: The Pacific Frontier: Pork and Sandalwood.

... among other objects of considerable magnitude [I] joined with a ... Captain Bruce ... for a Voyage to the Feegee Islands for Sandal Wood to be sent on to China, and from thence bring a Return Cargo of Oriental produce in Exchange, whereby the want of internal resources would be much relieved and a Staple Commodity supplied by the Spirit of Adventure to the great advantage of the Colony itself by the substitution of an Article of Trade in lieu of draining it of its circulating Specie.

Joseph Underwood to Lachlan Macquarie, 1810.¹

The pork and sandalwood trades were the consequence of the Sydney traders' decision to exploit the Pacific frontier. They wanted pork partly because when sold to Government it brought them Treasury bills. They wanted sandalwood because it appeared to be a valuable export staple for the Canton market. It may seem surprising that vessels built and owned by the trading community of this small penal settlement should have reached Tahiti and Fiji as early as King's governorship. We have seen that the great advantage of Sydney-based sealers was that having dropped their sealing gangs in suitable locations, the 'mother ship' could then be employed in some other enterprise. Moreover the traders must have been very conscious of the possibilities of the Pacific Islands for in the first two decades of the nineteenth century those islands were better known than the mainland of New South Wales.

1. C.S.I.L. 1810, pp. 236-8, N.S.W. Archives 4/1723.

Governor King himself favoured the exploiting of the Pacific frontier by Sydney traders because such a trade would give alternative employment to time-expired convicts, would benefit the new colony economically in a number of ways, and the cost of the colony to government would be reduced. Moreover, unlike the Chinese mainland or the islands of the East Indies, the Tahitian and Fijian groups were technically as much within the territory of New South Wales as Lord Howe Island or Norfolk. Therefore trading with these islands would not be an infringement of the East India Company monopoly, even though the construction of the vessels was, as we have seen, an infringement of the Governor's Instructions.

This then was the background to the launching of Pacific ventures from Sydney by ex-officers and officials like Macarthur and Blaxcell, settlers and emancipists like Thomas and Mary Reiby, Edward Wills, Lord, Kable and Underwood, Isaac Nicholls and master mariner interlopers who decided to make Sydney their home base like William Campbell and William Stewart.

The pork trade has already found its historian and need not be treated at length.² It was a source of steady if modest profit for a generation of Sydney traders, although the participation of individuals in it tended to be spasmodic and combined with other activities. The first pork

2. H.E. Maude, The Tahitian Pork Trade: 1800-1830, Journal de la Société des Oceanistes, Vol. XV, No. 15 Dec 1959, reprinted with other essays in Maude, Of Islands and Men, Studies in Pacific History, Melbourne 1969, pp. 178 ff. (hereafter referred to as Maude (1969)). This writer has not attempted to re-write the history of the pork trade in general but intends to suggest certain modifications which could be made to some of Maude's conclusions, and set down certain supplementary data.

expeditions to Tahiti were organised by Governor King who was anxious to find a source of pork less distant than London. In Sydney in March 1801 there were 2,365 persons in receipt of full rations, which normally would include four pounds of pork per head per week (although this often had to be reduced). In 1802 the cost per pound was estimated at a shilling, so that a year's supply of pork might involve an expenditure of £25,000.³

This was the background to King's decision to send H.M. Armed vessel Porpoise to Tahiti in 1801 from whence she returned with 31,000 lbs. of excellent salt pork. This success encouraged him to send the colonial brig Norfolk and, after refitting, the Porpoise on a second voyage. The Norfolk went ashore in a gale, but the Porpoise managed to bring back a further 35,000 pounds. King claimed that he was obtaining pork from Tahiti for much less than it cost to import it from England but even at the time there were critics of his costing procedures.⁴ He allowed nothing for the costs of running the naval vessels on the grounds that such costs would have been incurred whether the vessels went to Tahiti or not. This argument was less convincing after the loss of the Norfolk and direct government participation in the Pacific pork trade now ceased.

3. Maude (1969), p. 184.

4. King to Hobart, 9 May 1803, H.R.A. I, iv, 169. The pork was believed by Macquarie to be inferior to that imported from England and he instructed Commissary Drennan in 1819 that it was not to be purchased. Robert Campbell was permitted to sell Tahitian pork to Government, however, on condition that he replaced pork which went bad within six months, cf. C.S.L.B. 1819, p. 222, N.S.W. Archives 4/3500; Robert Campbell Letter Book, Mitchell MSS B1348, iii.

Charles Bishop, whose visit in the Nautilus in 1798 had done so much to inspire the local sealing industry, returned to Sydney in the brig Venus with his partner George Bass in 1801. Bass and Bishop were encouraged by King to go to Tahiti for pork under a contract by which King undertook to supply casks and buy the pork they obtained for sixpence a pound.⁵ The contractors to government, arriving at Tahiti a few days after the Norfolk in January 1802, were thus competitors with the government expedition. This competition, together with the unwelcome outbreak of a tribal war, helped to force up the price of pork.

Nevertheless the Venus brought back 123,000 pounds of pork of which King bought 86,556 pounds at 6d a pound and a considerable quantity of salt (obtained at Hawaii) for 1½d a pound. The partners received £2,351 from the Government the remainder of their pork being sold privately. Bass considered that the venture had brought in "a profitable though very moderate return".⁶ King signed a new contract with Bass who sailed for South America in February 1803, intending to return via Tahiti. From this voyage the Venus never returned.

The first voyages depleted the Tahitians' supply of pigs and the stories of civil strife which filtered through to Sydney discouraged the local shipping interest from venturing to Tahiti. Between 1803 and 1807 only one shipment of Tahitian pork was landed, and this was by William Campbell's privateer Harrington in 1805. Although destined to be a

5. H.R.A. I, iii, 337-338.

6. Maude (1969), p. 188.

New South Wales resident and a prominent member of the shipping interest he was still an interloper from Madras in 1805. The first colonial-built vessel to visit Tahiti was the 18 ton Hawkesbury which was chartered by Samuel Marsden to take supplies to the missionaries there in 1806, but she was too tiny to play a significant role in the pork trade.

In 1807 Sydney traders turned to Tahiti as a source of profit for the first time, the pioneers being John Macarthur and his partner Garnham Blaxcell. Four vessels were involved: the Elizabeth brig, a former prize, the Halcyon schooner, the Venus sloop and the Parramatta.⁷ According to Maude the Elizabeth made two voyages to Tahiti in 1807, the first under the command of William Campbell, departing on 1 March 1807, returning some time in June, and then returning from a second voyage on 9 November.⁸ Two Tahiti pork voyages in less than a year would have been a remarkable coup. In fact it never took place. When the Elizabeth sailed in March 1807 her ultimate destination was Fiji where she was to rendezvous with the Harrington commanded by William Campbell (he never commanded the Elizabeth) for a joint sandalwood venture. Violent storms which caught the Elizabeth on passage killed this scheme - she reached Fiji too late.⁹ However,

7. Not three vessels as stated by Maude (1969), p. 194 for he omits the Venus. Nor did Blaxcell solely own the Halcyon. It appears from Macarthur's accounts that he owned 2/3 of the Elizabeth, Blaxcell one third; that until her arrival in September 1807 the Halcyon was owned by William Shelly, Macarthur and Blaxcell and they bought out Shelly's share after her arrival from Tahiti; Macarthur and Blaxcell each owned a 1/6th interest in the Parramatta and in the Dart, a sealing ship registered in London and, like the Parramatta 2/3 owned by Messrs. Hulletts of that city, cf. Blaxcell-Macarthur account, Macarthur Papers, Vol. 6 and Colonial vessels accounts etc, Macarthur Papers, Vol. 7, Mitchell MSS A2902, A2903.

8. Maude (1969), pp. 194, 227.

9. For this venture see below pp.271-272 and above Chapter Four.

the Elizabeth did bring a cargo of pork to Sydney in November 1807 but no details of its size or the profits on it have survived.

With two pork ventures by the Halcyon and Venus respectively we are more fortunate, for their accounts are preserved in Macarthur's papers. They may be the only accounts of Sydney pork voyages to survive and are, therefore, of exceptional interest.¹⁰ Maude, who did not have these accounts to draw upon, nevertheless sought to estimate the profit and loss of the Tahitian pork trade.¹¹ He said that the vessels of the pork trade, ranging in tonnage from about fifty to one hundred and fifty tons, were capable of making two pork voyages a year even allowing time for refitting, but that they seldom did because they were employed on more profitable work whenever possible. Maude estimates the purchase price of such vessels as about £12 10s per ton, with further costs for refit, and £600 per year for wages for master and crew based on a crew of master, mate, boatswain/carpenter and seven seamen. Rations he estimates at £200 per trip. With insurance Maude estimates a total outlay of £2,385 per annum, and estimates that over the years an owner would not get a better price for his pork than the 6d per pound received by Bishop in 1803.

Maude calculates, therefore, that since a 55 ton brig or schooner should carry about 45,000 pounds of pork a trip there would be a gross profit of £1,125 or £2,250 for the year (assuming two trips a year). The ship's value, by now depreciated to £600, could be added to this figure, giving £2,850. Take from this the gross expenditure of £2,385

10. Colonial shipping accounts, etc, Macarthur Papers Vol. 7, Mitchell MSS A2903, pp. 1, 2, 10-12.

11. Maude (1969) pp. 202-205.

and a net profit would be left of £465 or just under 20% per annum. From this Maude concludes that although the pork trade was modestly profitable, it could not compare with the sandalwood trade where 200% was not uncommon.

I believe that he has tended to under-estimate the profits from pork and over-estimate the profits of sandalwood. He has also over-estimated the expenses and under-estimated the pork's value. Certainly the accounts of Macarthur and Blaxcell's two pork voyages - though isolated atolls in an ocean of missing records - suggest that Maude's tentative figures need modifying.¹²

Unfortunately the account of Macarthur and Blaxcell's first pork venture is very unsatisfactory as evidence of the profitability of the pork trade. The venture was too exceptional for that. In January 1807 Macarthur and Blaxcell had associated themselves with Captain William Campbell of the Harrington in a sandalwood venture. They were also associated with William Shelly the former Tongan and Tahitian missionary. While on Tahiti Shelly had supervised the construction of a schooner of about forty tons which was originally intended for King Pomare, the missionaries' native patron. This scheme fell through and the vessel was not fully equipped when Shelly left the island in 1806.¹³

-
12. Maude makes it clear that too much reliance should not be placed on his figures, and points out that the price of 6d a pound is a wholesale price, whereas the traders would have sold much of their cargoes retail.
13. John Davies, The History of the Tahitian Mission 1799-1830, edited C.W. Newbury, Hakluyt Society Pubs. Series II, Vol. CXVI, Cambridge 1961 (hereafter Davies, Tahitian Mission), pp. 75-76, 81, 95, 96.

Apparently Shelly was considered to be the owner of the vessel for in February 1807 he sailed for Tahiti in the Harrington taking with him sails, pitch, etc for the completing of the schooner which was to be used as a tender to help the Elizabeth brig and the Harrington obtain sandalwood at Fiji. Shelly completed the schooner, named her Halcyon, and when the Elizabeth failed to keep her rendezvous with the Harrington at Tahiti, sent her to Sydney with a cargo of pork and lard. The Halcyon venture is, therefore, quite untypical - the Halcyon only travelled one way, she only had a very small crew - a master, a mate, a seaman, a boy, and almost certainly a Tahitian. Shelly had a third share in the venture and had to pay a third of the expenses. The expenses came to £256 14s 3d and included:

Salt	£83. 1. 3
Provisions	22. 8. 0
6 casks of Pickle	9. 0. 0
Empty casks	5. 1. 0
Pitch, tar, canvas and oil	52.17. 0.

After the Halcyon's return on September 10th there were further outlays

Wages of master from 13th May to 16th Sept.	30.14. 0
Wages of Wm. Johnson ditto	12. 6. 0
Samuel Pugh (boy) wages in full	4.16. 6
Paid a seaman by Mr Shelly's order	4. 0. 0
There were no other references to wages at all except that an "Otaheitan" was paid in "slop clothing etc."	2. 7. 6
and there were further payments for pilotage, taking an anchor to the schooner, for help in unloading the cargo, and for some unspecified service by men at South Head a total of	6. 9. 0
In addition, for a pig killed on passage there was allowed	2. 0. 0
and for 30 lbs of biscuit taken aboard the schooner on her arrival in Sydney	18. 0
The grand total is	<u>£266.14. 3</u>

from which £10 was deducted for some sails supplied the Venus leaving £256 14s 3d¹⁴ of which William Shelly paid one third, £85 11s 5d.

In addition £25 15s 4d was expended procuring the cargo at Tahiti, an expense which was met by Macarthur and Blaxcell only. The accounts are further complicated by the fact that Macarthur and Blaxcell bought a two third share in the Halcyon for £216 13s 4d (presumably on a basis of her estimated value at Tahiti) and on her arrival at Sydney bought out Shelly's one third share for only £66 13s 4d. (The drop in value probably represents the partners' diminished valuation of the vessel when they actually saw what they had bought!) The accounts are crude but they enable us to draw up the following account for the Halcyon venture:

Debit:

Expenditure on vessel, wages etc	£256.14. 3
" at Tahiti	25.15. 4
	282. 9. 7

Credit:

To 15,637 lbs of pork @ 1s 9d	1,368. 4. 9
To 2,280 lbs of flare [lard] @ 2s	228. 0. 0
	1,596. 4. 9
Less expenses	282. 9. 7
To Profit	£1,314.15. 2

15

14. This figure was incorrect. Either Blaxcell who drew up the account was dishonest or incompetent at addition - probably the latter since at one point he put 22 pence down as 2/2! In fact the expenses only came to £223 8s 3d. Shelly should have paid 1/3 of that which would have come to £74 9s 5d. However it may be that in drawing up the account, probably in 1809 when the partners were dissolving their concerns, Blaxcell may have simply omitted an item of £33 6s without noticing his error and copied out the correct total.
15. In the Halcyon account Shelly is paid £505 9s 7d as his share of the pork and lard, but Macarthur and Blaxcell deduct the price of the Halcyon from the remaining sum before estimating their own profit at £610 10s. This is absurd, of course. They had the Halcyon and have failed to enter her valuation in the credit column. If the expenses were £33 6s less than stated owing to faulty addition the profit would have been £1,347 1s 2d (see footnote 14).

This would give us a very handsome profit indeed - 465% rather than the 20% suggested by Maude. This disparity is due in part to the fact that the vessel only cost £325, was built at the island and only travelled one way, and had a much smaller crew than Maude estimated as likely. Moreover Maude assumes that sailors were paid while in port whereas not even captains were. Finally the pork and lard were sold at 1s 9d and 2s a pound respectively - way above the 6d a pound which he suggested. There was also no insurance premium.

On the debit side there was no deduction for Shelly's expenses to Tahiti or the expenses of the master and crew of the Halcyon. However, Shelly probably travelled to Tahiti on the Harrington free of charge, as he was to act as interpreter for William Campbell, and the Halcyon's crew probably went there as part of the crew of the Harrington (or as part of the crew of the Elizabeth). However they went to Tahiti their passage would not be a charge on the pork venture.

It may be asked, what of depreciation for which Maude allowed £600 for a twelve month (i.e. two voyage) period? The accounts of Blaxcell and Macarthur never refer to depreciation for any of the voyages, whether Pacific or coastal, for which records have survived. This might be ascribed to primitive bookkeeping methods but it should be noted that for the voyages for which there are accounts, the cost of outfitting the vessel is always set off against the returns from the voyage. The account of the next voyage would then begin with a new outfit, which again would be set off against the returns from the voyage. Thus,

although the partners did not use the word "depreciation" in their accounts they were in fact taking depreciation into account. This oddity arises from the fact that in the days of wooden sailing ships every voyage involved very heavy wear and tear. A vessel's outfit, which might involve extensive repairs and re-caulking of the hull as well as repairs to the standing and running rigging, might cost more than the value of the vessel as a whole prior to its outfit. (When Plummers bought Lord & Co the Sydney Cove they paid a little over £2,000 but by the time she had been outfitted and made ready for sea the cost had climbed to more than £7,000). In these circumstances the writing off of the initial outfit against the returns from the succeeding voyage was a crude but effective substitute for depreciation.¹⁶

Within days of the arrival of the Halcyon in September 1807 Macarthur and Blaxcell sent the sloop Venus to Tahiti on their joint account. The Venus was away eight months, which increased the wage bill, and had a larger crew. Birbeck was master as before at £8 a month, Kimber the mate was paid £5, three seamen were paid £3 10s and the boy Samuel Pugh was paid £1. The Venus expenses broke down thus:

Total wages of crew for eight months	£196. 0. 0
Paid for unloading cargo at Sydney	8.16. 0
Outfit of the <u>Venus</u> (including cordage bought at Tahiti from the <u>Seringapatam</u>)	224.19. 4
Salt (5,959 lbs)	74. 9. 3
Provisions	60.13. 3
Paid Wm. Scott for pork at Tahiti	27.17. 6
Total expenditure	<u>£592.15. 4</u>

16. I am indebted to members of the Faculty of Economics at the University of Adelaide, and particularly, Dr Tom Sheridan, for a critical appraisal of my view of the depreciation problem.

The cargo was 16,220 pounds of pork and 1,152 pounds of lard which both sold at only 1s 3d a pound, thereby grossing £1,085 15s. The profit and loss account would, therefore, be:

Credit:

To 17,372 lbs of pork and flare @ 1s 3d £1,085. 15. 0

Debit:

Outfit, wages, expenses at Tahiti etc 592.15. 4

To profit £492.19. 8

The profit was, therefore, 83%, which though much less satisfactory than the previous voyage was still four times the percentage suggested as likely by Maude. The fall in price between September 1807 and August 1808 may have been partly due to the successful voyage of the Farramatta schooner which had been sent by Macarthur and Blaxcell in June 1807 and returned in December with 75,660 pounds of pork obtained at other islands in the Society Group, the supply at Tahiti having been temporarily exhausted.¹⁷ Moreover Thomas Reiby had taken his schooner Mercury to Tahiti in early 1808 and returned with a cargo. Such an increased supply would naturally depress the price. From then on the trade was regularly established and after 1810 there was an average of three shipments a year from Tahiti to Sydney until about 1830.¹⁸

17. The pork was obtained on a cruise to Raiatea and Huahine, Davies Tahitian Mission, p. 105. No account of its sale survives.

18. Although the number of visits fluctuated widely from year to year, Maude (1969), pp. 220-221. He estimates that during twentyfive years about three million pounds weight of pork were imported. If this was worth an average of 1s a pound to the trader - which is a plausible figure in view of the retail prices for which we have evidence - the value of the imports could have exceeded £150,000.

The quest for sandalwood was inspired by that fervent wish for Chinese merchandise, imported directly from Canton rather than from Calcutta or London, which we have already examined.¹⁹ Since skins and oil were of very limited value on the Canton market the colonists were faced by two serious problems: first to find an export staple which the Chinese would value; secondly, to convey it to Canton and exchange it for merchandise in defiance of the East India Company's monopoly and the regulations designed to protect it. We have seen the way in which the traders tackled the second problem, and weighed their successes and failures. Now it is time to turn to the first problem, which was solved at least temporarily when Fiji sandalwood was first discovered and exploited by Simeon Lord in 1804-1805.

Sandalwood, the wood of the Santalum Album, was to be found on the slopes of high ground on many of the Pacific groups including Fiji, the Marquesas and New Caledonia. This highly aromatic wood was prized by the Chinese who burned it in the form of joss sticks, and also carved from it intricately decorated boxes and ornaments of artistic and religious significance.²⁰ Although Robert Campbell had an indirect contact with Canton through his firm's country ships, Simeon Lord seems to have been the first colonist to try to establish^a direct sandalwood trade with the China market. He told Governor Darling in 1826 that he was among the first to discover the islands on which sandalwood grew and to procure cargoes of the timber for export. It is certainly true that he was

19. See Chapter Four above.

20. For a detailed account of sandalwood and its uses cf. Dorothy Shineberg's account of the later Sydney sandalwood trade They Came for Sandalwood, Melbourne 1967.

responsible for landing the first cargo of sandalwood in Sydney in April 1805. Like so many sagas of the Pacific this began with a shipwreck.

Early in the year 1800 a ship, the Argo, was wrecked on the Mbukatatanoa Reef in the Lau Group. One of the survivors, an American called Oliver Slater, managed to reach Fiji where he spent twenty two months among the natives learning their language and customs. Slater was picked up by a former Spanish prize, El Plumier, now owned by a syndicate of ex-convicts including Thomas Fyssh Palmer, which had left Sydney in January 1801 on a disastrous voyage which ended at Guam two years later. In May 1804 an American ship, the Fair American, arrived in Sydney with Oliver Slater on board. She carried a general cargo and came from Manila.

The editors of the Journal of William Lockerby state that Slater "was no doubt intended to serve as a guide and intermediary with his old Fijian acquaintances", for the Fair American was bound for Fiji. However, they continue, Slater left the ship at Sydney, preferring to take employment with James Aitken (sometimes spelled Aiken, Aikin or Akin) who was seeking employment for his twenty six ton schooner Marcia.²¹ In fact the Marcia was Simeon Lord's. He had had her built in November 1803 and had employed her in the Bass Strait fishery and in a salvage voyage to Wreck Reef.²² In September 1804 the Marcia sailed with Slater on board,

21. Sir Everard Im Thurm and L.C. Wharton (eds.) The Journal of William Lockerby, Hakluyt Soc. Series II, Vol. LII, 1925.

22. "The Cato's large boat purchased by Mr Lord for ... £60 ... raised upwards of four feet ... decked and sloop rigged ...". She was launched on 22 Nov "and on pressing the bosom of Thetis received the name of Marcia," Sydney Gazette, 2 Oct 1803, 11 Dec 1803. Lord had probably had her cut in two also, and lengthened.

her stated object being a search for trepang on the shores of New Caledonia. In fact she went to Fiji, collected fifteen tons of sandalwood - not without danger and difficulty - and returned to Sydney with her cargo in April 1805.²³

Lord may have intended the Marcia to rendezvous with the American sealing vessel, Union, at Fiji, and so had disguised her true destination. The Union arrived in Sydney in June 1804 during a successful sealing expedition to Australian waters. Lord persuaded her captain, Isaac Pendleton, to form a partnership with him in which Pendleton's sealing gangs would be left with Lord's on Penantipodes Island (a sealing ground which Lord had pioneered) while the Union went to Fiji and China on a sandalwood speculation. It is probable that Lord and Pendleton agreed that the latter should leave a cargo of skins with Lord, and that the Union, having obtained sandalwood with Lord's assistance - that is, with Aitken's and Slater's assistance - should sail for Canton. There it would purchase a cargo of Chinese merchandise and bring it to Sydney to be sold by Lord on behalf of himself and Pendleton. The Union left Sydney shortly before the Marcia sailed with Slater on board.²⁴ Departing from Sydney on 29th August the Union called at Tonga where Pendleton, his supercargo, John

23. Im Thurm and Wharton, op. cit.

24. The best known published account of Lord's relations with Pendleton and John Boston is to be found in Edward Panning's Voyages and Discoveries in the South Seas 1792-1832, 1924 Ed. pp. 230 ff., which is very inaccurate highly coloured and confused. However the agreement I have reconstructed fits what facts we have and parallels similar agreements Lord made with ships' captains which have survived, see below footnote 45.

Boston, and a boat's crew were murdered. The Union's first mate brought her back to Sydney.²⁵ She sailed again for Tonga and Fiji on 12th November 1804 in company with the Fair American and was never seen again. We do not know if the Marcia contacted the Fair American but certainly the latter got a valuable cargo and sold it at Canton.²⁶

Before the Marcia brought in her little cargo in April 1805, Lord was already involved in another American partnership in spite of the hostility of Governor King. To give Lord his due he had sought less dubious means of defeating the prohibitions of the East India Company and the Governor's regulations. First he tried to employ the Harrington, which has figured so largely in earlier chapters and which arrived in Sydney from the coast of Peru in March 1805. His partnership with Captain Campbell, came to nothing when King arrested both master and vessel on a charge of piracy. Lord then tried unsuccessfully to charter the Sophia, a former prize now owned by Campbell & Co.²⁷ Just three days before Marcia returned, the 229-ton Criterion of Nantucket arrived with seal skins from the Crozat Islands. Lord was not slow to board her and apparently her captain, Peter Chase, was as ready as Pendleton to form a partnership with him. With Aitken and Slater back on 27 April all looked well, and so the blow when it fell was all the more bitter. Wishing to prevent collusive associations between colonists and Americans Governor King refused to allow Aitken to sail on the Criterion.

25. Sydney Gazette, 28 Nov 1804.

26. "Memorial of James Aitken", H.R.A. I, v, pp. 721-723.

27. Op. cit., p. 722.

Aitken, for Lord, swore a 'Protest' before the Deputy Judge Advocate for any losses he and his owner might suffer as a result of King's action - a legal move designed to threaten King with being held responsible for any losses Lord might suffer. The Governor was unmoved by the implied threat, and by the aggrieved tone of the Protest in which Aitken refers to "his owner and principal" who had "embarked deeply and expended considerable sums in the Undertaking and who had sustained heavy losses in former Adventures of the same nature and who had reason to fear he should suffer still more materially by the reputed loss of the ship Union which he had employed on a similar expedition."²⁸

It was of no avail. King would allow Slater to embark on the Criterion for he was an American citizen, but Aitken and another Lord employee, Bailey, could not embark on her, or on the British vessel Harriett (due to sail for London about the same time) unless Thaddeus Coffin, her master, gave bond of £500 on each man not to transfer them to the Criterion once both vessels were nicely out of the Heads. Having recapitulated all this in his Protest, and pointed out that since Captain Chase now knew about the location of the sandalwood, he was likely to scoop the pool for himself, Aitken sombrely concluded by assessing the potential damages from this governmental interference at £25,000 and reserved the right to seek such redress as learned counsel might advise.²⁹

28. H.R.A. I, v, pp. 724-730. The writer cannot explain the reference to earlier losses unless it is an oblique reference to King's refusal to permit William Campbell to sail under bond on Lord's behalf; op. cit., pp. 367-371.

29. "Learned counsel" would probably have turned out to be the Governor's least favourite emancipist, Michael Massey Robinson, a close associate of Lord's at this time, who was banished to Norfolk Island in a somewhat high-handed manner a few weeks after these protests of Aitken were drawn up. Probably he was their real author; cf. "Michael Robinson", Mitchell MSS A1939.

In the event the Criterion sailed with Slater, and Aitken and four other Lord employees sailed with Coffin ostensibly for England, and the Governor's victory seemed to be complete. Whether the five really persuaded the Governor they sincerely wished to go to England (Coffin had to give £500 bonds on each) is not clear. What is certain is King's wrath when the Criterion sailed back into Sydney Cove in May 1806 with a valuable cargo from Canton - and Mr. Aitken! Interrogated by a furious Governor as to the reason for his return and for an explanation of Aitken's presence on board, Chase said he had simply called for provisions, to register certain Protests for damage for the underwriters, and to have his vessel surveyed and refitted. As for Aitken, Chase admitted he had transferred with the others from the Harriett between Sydney and Norfolk Island.

King ignored Lord's pleadings that Aitken be allowed ashore "for his health's sake". Instead Chase was commanded to produce his papers, especially his invoices and a sworn statement that all the cargo on board was entirely the property of the vessel's owners. All this Chase unblushingly did. Meanwhile a committee of experts "sat" on Mr. Aitken and finally decided he was ill enough to come ashore. King actually contemplated confiscating ship and cargo but shrank from the lifetime of litigation that might ensue. Instead he refused to permit Chase to land any of the cargo, even while his ship was careened, and issued a proclamation that no cargoes would be allowed ashore which were the result of an infringement of the East India Company's monopoly.³⁰

30. The documents relating to this episode are printed in H.R.A. I, v, 719-739, as enclosures to an indignant despatch from King to Castlereagh dated 30 Jun 1806. The originals are at C.S.I.L. 1804-6 N.S.W. Archives 4/1720/83-105.

In August Lord wrote dolefully to Captain Piper at Norfolk Island: "I was under the necessity of sending the Criterion away without being permitted to land anything."³¹ Had the Governor set eyes on this letter this one revealing sentence would have infuriated him afresh. This was the closest Simeon Lord came to a successful China venture in sandalwood, and the profits were not small. The cargo was carried back to Nantucket and sold well. In 1808 Lord's London agents were gathering in remittances from Nantucket which were to total some \$30,000.³² However, though profitable, the Criterion venture was not the bonanza it might have been and Lord, who had been planning to leave the colony since the previous year (he was never to do so), brought an action for \$5,000 damages against the Governor in the Court of Civil Jurisdiction but was non-suited.³³

During Lord's struggle with the Governor the latter's secretary was that enterprising, probably unscrupulous and certainly ill-fated man of business Garnham Blaxcell. The controversy over Fiji sandalwood must have interested Blaxcell but he and his new associate John Macarthur made no move to exploit this source of wealth until the arrival of the Criterion demonstrated its possibilities. In June 1806 Macarthur wrote a letter to

31. Piper Papers Vol. III, p. 407, Mitchell Library MSS A256.

32. Cf. Messrs. Plummer to Lord, 16 Oct 1808 in Plummer v Lord, Kable & Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286, ~~Plummer v Lord, Kable & Underwood, Court of Civil Jurisdiction, Case Papers, N.S.W. Archives 2286.~~

33. Lord v King, Court of Civil Jurisdiction, Proceedings, Vol. 4, N.S.W. Archives 1101. The Court found no action could lie against King for actions performed under his governorship.

the Governor designed to be as different as possible from Lord's combinations of menace and deceit. Stressing that he wished to unite commercial and agricultural speculations in order to benefit the latter, Macarthur stated he had for some time considered sending a vessel to the Fiji and Friendly Islands in search of "articles of trade".

For that purpose [he had] lately purchased a brig and entered into Engagements with a respectable and intelligent young man, a Member of the Missionary Society, who ... is well acquainted with the languages, customs and manners of their inhabitants.

The recent and successful experiment that has been made by Mr. Chase ... has proved that the Fiji Islands abound with sandalwood and from the little difficulty with which Mr. Chase collected 120 tons ... it is to be feared that other Americans and foreigners may follow his example and reap the first and best fruits ... unless speedy and energetic measures are adopted to secure it exclusively to British subjects.³⁴

Macarthur hoped the Governor would not merely look favourably on this enterprise but would also throw in some naval stores and took care to emphasise the contrast between his own public spirit and Lord's malignant chicanery.

By these means a lucrative trade will be rescued from the hands of foreigners, or from men whose loose and immoral characters threaten to produce the most fatal effects upon the rising generation and who it is well known calculate upon the possibility of engrossing the whole trade of the colony through the instrumentality of American and other neutral flags.³⁵

After a further assurance that only considerations of public interest led him to embark in sandalwood speculations he offered room in his brig to a Government surveyor. Having with some success resisted an assault from

34. H.R.N.S.W. vi, 92-3 (original at G.S.I.L. 1804-6) N.S.W. Archives 4/1720, pp. 66-70.

35. It is as interesting as it is ironic that Macarthur should have complained of Lord's monopolistic tendencies.

one direction, King must have known that he was now faced with a more insidious one from another, despite the odour of sanctity and benevolence provided by missionaries and surveyors. Macarthur needed no permission to send his vessel to Fiji and perhaps the Governor was answering the thought rather than the word when he replied that he could not "but afford" his permission but under no circumstances could the brig Elizabeth be registered outside the limits of the colony, and while she could collect sandalwood at Fiji under no circumstances could she sail to Canton to sell it. Moreover, £2,000 security was insisted on. Governor King was taking nothing on trust. The missionary was, of course, William Shelly who was to act as supercargo of the Elizabeth, take a cargo of trade goods and exchange it for sandalwood, pearls and pearl shell, and to receive five per cent of the profits with a guaranteed minimum of £300. He was to make as many voyages as possible during the next two years.³⁶

At the time Macarthur was sounding out King it was already known that Governor Bligh was to take his place. King sympathised with the commercial aspirations of colonial entrepreneurs - even Lord's when he stayed within the law - and had even dared to suggest to Lord Hobart that colonial vessels be permitted to trade seal skins and oil direct to China.³⁷ Bligh

36. Macarthur, Blaxcell and Shelly agreement, S.C.P., Bundle 22, No. 11, N.S.W. Archives. The text is printed in Hainsworth (Builders).

37. H.R.A. I, v, 8-9. "... this indulgence would also prevent that intercourse and employment of Americans by Individuals, which among some I see in contemplation." It is likely King was the more opposed to Lord's law-bending ingenuity in that he feared if the Company's wrath was once aroused he would be ordered to reverse the liberal policies towards ship-building and sealing he had hitherto pursued to the Colony's considerable benefit. A letter from Blaxcell to Aitken, 13 May 1805, concludes significantly: "The repetition of these collusive measures, the Governor is apprehensive, may operate as a Check to the Success of his Exertions on behalf of His Majesty's Subjects in this Colony." H.R.A. I, v, 724. King's fears had foundation, see Banks' notes on the East India Company's reaction to these colonial developments, page 184 above.

knew that his Instructions and the policy of the British Government were out of sympathy with such a development, particularly if it was in any way to involve trade with China. Bligh's views were, however, an unknown factor when Simeon Lord approached him for permission to send the King George to Fiji for sandalwood and thence to China for a cargo of "... any kind of goods Yr. Excellency may please to point out ... for the Benefit of this Colony, either to be disposed of to Government or Individually at such an advance ..." as the Governor might think suitable.³⁸ There is no direct offer of a bribe but the careful turns of phrase certainly carry an invitation to the Governor to take an interest in the venture if he had been as dishonest as Lord would have liked and as his recent peculiar land deal with ex-Governor King might have suggested.³⁹ In his letter Lord sought to show Canton was a free port open to all the world, and that the East India Company did not trade to New South Wales nor were interested in sandalwood - therefore no infringement of the monopoly was involved. All this was nonsense of course, but Lord was on very sane ground when he argued:

If your Excellency should be pleased to sanction the projected voyage, it will in the opinion of Yr Memorialist be of public Service to this Infant Colony exclusive of private Benefit as a large Quantity of useful Articles would be imported and no Capital or Principal drained from its Resources but what would again be circulated here.⁴⁰

Here plainly expressed is Simeon Lord's commercial philosophy. The colony's resources of sterling were too slender and too scattered for a Lord

38. C.S.I.L. 1806-8 N.S.W. Archives 4/1721 pp. 3709.

39. C.S.I.L. 1806-8, pp. 37 ff, N.S.W. Archives 4/1721. An edited version of this memorial is in Hainsworth, (Builders), pp. 111-113.

40. My italics.

or a Macarthur to buy a valuable investment with them. Sandalwood could be invested in merchandise in Canton without any diminution of the merchant's wealth or credit. Sandalwood, like seal skins, was a means to an end. The problem was not so much getting the sandalwood to Canton as in getting the cargo back. Ships very rarely came from Canton to Sydney, although some convict ships went from Sydney to Canton. There they joined the China Convoy and went home without touching at Australia. Bligh reasonably enough stood by his Instructions, and not the least interesting aspect of Lord's letter is the explosive little marginal comments Bligh made on it rebutting Lord's argument point by point. Among them:

The Feegee (sic) Islands can be visited by any of the Colonial vessels. But no Colonial Vessels can be allowed to trade from this Colony to China nor can Government enter into Mr. Lord's concerns other than Colonial Regulations will allow ... Teas and China Goods must be brought by regular trading ships from Great Britain or India

Noting that Lord had brazenly complained about the sending away of the Criterion, Bligh noted: "This was an absolutely necessary proceeding to counteract an illegal design and disobedience of a colonial order in opposition to all faith and honour."

When he composed his refusal Bligh coldly concluded his letter by observing that Lord and his associates had already been greatly indulged in being permitted to launch vessels like the King George with a tonnage far greater than the Instructions permitted.⁴¹ This was uncomfortably true. Not only was the suggested voyage to Canton illegal; it was illegal to have launched a vessel capable of making such a voyage.

41. Lord, Kable & Underwood v Harris and Maclaren, Appeals Court Papers 1806-1813, N.S.W. Archives 4/6609.

Lord never succeeded in exchanging sandalwood for a China cargo after the Criterion venture, but he made several attempts to do so. On 28 December 1806 the Sydney Gazette reported that a Spanish prize, Santa Anna, had been sold by auction for £3,200 "under promise [by the Governor] that the purchaser should [be allowed to] send her to China or any part of India to procure the necessaries of life most wanting." After a contest supported "with much spirit the coup de grace consigned her to Lord & Co".⁴² Spirited bidding indeed for £3,200 was a very high price for a ship condemned as a prize, but it was really the permit to go to China which was at auction. Isaac Nicholls bid on behalf of Lord & Co and later testified that he had been instructed to go no higher than £2,000 until Surgeon Harris, one of the prize agents, had announced the privilege would be granted. Robert Campbell himself bid up to £3,000, as well as he might for it was at his suggestion that Bligh had offered the privilege in the first place! The Governor, angry doubtless that Campbell's bid had failed, (for it had probably been expected that nobody would bid higher), and finding the purchasers had to spend weeks repairing the Santa Anna, seized on this as a pretext for withdrawing the privilege and granting it to Campbell's newly built brig Perseverance.

In vain did Lord, drawing on the experience of his master-mariner clients, protest that owing to the seasonal shifts of the trade winds, the Perseverance's earlier departure would not mean an earlier return. Harris himself believed the Governor was at fault and Lord's protest well-founded.

42. Sydney Gazette, 28 Dec 1806.

Moreover the Perseverance did not return for more than a year - later in fact than even Lord had suggested was likely.⁴³ It is not possible to say whether Robert Campbell's brig took the opportunity to call at Fiji for sandalwood en route to Canton, but the voyage - a clear breach of Bligh's Instructions since she was colonial built - certainly could have done nothing to relieve the distress caused by the 1806 floods. What makes Bligh's conduct appear particularly suspect is the fact that he did not need to use a colonial-built vessel. John Macarthur had offered in January 1807 to send for supplies from China in the "country ship" Harrington with whose master, as we have seen, he and his partner Blaxcell were now associated. The offer was refused but the Harrington made a Fiji-Canton-Hobart-Sydney voyage notwithstanding - and still got back earlier than the Perseverance! According to Bligh himself the Harrington also called at Malacca!⁴⁴

Lord sought other means to overcome the regulations which entangled him. In 1807 he entered into agreements with an American master mariner Nathaniel Cogswell of the ship Hannah & Sally and David Dalrymple, master of the country ship General Wellesley, of which bottom he bought a third share. It was all for nothing. The Hannah & Sally failed to rendezvous

43. For the Santa Anna affair see Harris & Maclaren v Lord, Kable & Underwood, Court of Civil Jurisdiction, Proceedings, Vol. 4, N.S.W. Archives 1101, Appeals Court Papers 1806-1813, Lord, Kable & Underwood v Harris & Maclaren, N.S.W. Archives 4/6609; John Harris to Mrs P.G. King, H.R.N.S.W. vi, 339; for Perseverance's movements cf. Cumpston (Shipping).

44. The Harrington sailed for China on 27 January 1807, the Perseverance on 9 February. The Harrington returned on 30 April 1808, the Perseverance on 5 May 1808. Both vessels called first at Hobart on the homeward voyage. For reference to Malacca, H.R.N.S.W. vi, 671-672.

with the King George at Fiji and was therefore unable to obtain a cargo of sandalwood.⁴⁵ Unknown to Lord, Dalrymple was the despair of his Madras owners for he would never pay them the slightest attention, and indeed his sale of a third of the ship to Lord smacks of sharp-practice.⁴⁶ In the event Lord's ambitious agreement for joint operations in the Pacific trade came to nothing and when Dalrymple died on passage to Sydney, his supercargo took control of the ship, denied the validity of Lord's interest, and bitterest blow of all, entered into a close association with Macarthur, Blaxcell and Jamison, Lord's bitterest competitors.

Despite great efforts and risks the sandalwood trade was never large. Robert Campbell stated in the documents on sandalwood which he submitted to Bligh after the mutiny cargoes of sandalwood had been landed in Sydney on four occasions and the average quantity landed was 130 tons for each venture. This wood was sold for export in Sydney (Campbell claimed) for an advance of £50 a ton - according to Bligh himself more than £70 a ton - to vessels bound for China. Writing to Wyndham in October 1807 Bligh had observed that colonial vessels were engaged in sandalwood ventures to Fiji and selling their cargoes to masters of "transient" ships who were licensed to go to China.⁴⁷

45. Cogswell agreement, Court of Civil Jurisdiction, Lord v Kable & Underwood, Case Papers Exhibit B, N.S.W. Archives 2279 and Hainsworth (Builders) pp. 82-84; further papers are in Appeals Court Papers 1806-1814, Kable & Underwood v Lord, 4/6609; Dalrymple agreement, S.C.P. Bundle 30 Item 25, 1113; see also S.C.P., Bundle 29 Item 3, 1165.

46. "The General [Wellesley] was treated by Dalrymple as if she were his own ship ... for two years he sailed her half over the world - Borneo, Botany Bay, New Zealand, Fiji, Penang, China - sending rose-coloured reports and promises from which emerged in the end only the gloomy finale of a two lakh write-off in Parry's ledgers...", Hilton Brown, Parry's of Madras, Madras 1954, pp. 31-32.

47. H.R.A. I, vi, 152, 682-3.

This suggests such sandalwood ventures were frequent but this writer has been unable to trace them. John Macarthur's Elizabeth sailed for Fiji on 7 February 1808 and returned with 120 tons of sandalwood on 16 October 1808. She then left for Canton with the wood on 18 December 1808 - Bligh being deposed could not prevent this violent breach of regulation - and there brig and cargo were sold. Lord, Kable and Underwood's King George made a voyage to Fiji between 10 December 1807 and 21 July 1808, bringing in about 110 tons of sandalwood, some of which was probably exported to Macao in their vessel Commerce (re-named Boun Cidadeo). The Boun Cidadeo, which carried 160 tons of sandalwood, was insured by Lord for £15,000 in a policy covering ship and cargo, but he almost certainly sold her in Sydney on credit to a Signor Favoris who presumably travelled on her. Other cargoes of sandalwood may have been brought to Sydney for sale to passing ships by Thomas Reiby who made Pacific voyages in the Mercury schooner.⁴⁸

Our concern, however, is with sandalwood exported by Sydney traders for sale on their own account - that is, as a staple. For this some evidence has survived. We have already examined the story of the Harrington Chinese investment and its fate in the Sydney market.⁴⁹ It is only necessary to recapitulate here that for £4,000 worth of sandalwood at the Canton market price William Campbell obtained a cargo which sold in Sydney and Hobart for £21,478 (not counting some further sales at Rio which realised nothing owing to the default of the purchaser). This seems an

48. For Elizabeth, see below; for Boun Cidadeo, ex-Commerce, see Lord-Plummer Correspondence in Plummer v Lord, Kable & Underwood, Court of Civil Jurisdiction, 1813, Case Papers, N.S.W. Archives 2286.

49. See above Chapter Four.

adequate explanation of the Sydney traders' enthusiastic and highly competitive adventuring in sandalwood. Unfortunately for Sydney's entrepreneurs the trade was not to remain so profitable. Macarthur and Blaxcell's subsequent experience suggests that if it was profitable to bring sandalwood and sell it in Sydney, it could be very unprofitable to take sandalwood to China and sell it there without bringing a cargo back.

Simeon Lord, still trying to break into this trade, signed a partnership with William Campbell after his return from Canton and sought to employ the Harrington in the same way that Macarthur and Blaxcell had used her.⁵⁰ Promptly convicts pirated her at her moorings in Sydney Cove, but in this Lord was more fortunate than he could have imagined. What the historian of British activity in the Pacific calls "the brief sandalwood boom in Fiji" was nearing its end, for the Canton market was going down.⁵¹ The unhappy discoverers of the changed situation were Macarthur, Blaxcell and Jamison, who allied themselves with Campbell once more after the theft of the Harrington, and launched another sandalwood speculation using a brig they jointly purchased, the Favourite, lately arrived from Bengal.⁵² The Favourite left for Fiji and China in September 1808 but encountered the General Wellesley in distress at Fiji with a depleted crew and a dying

50. Lord v Campbell 1810, Court of Civil Jurisdiction, Proceedings, Vol. VII, N.S.W. Archives 1104; Appeals Court Papers 1806-1814, Campbell v Lord, Lord v Campbell 1810, 4/6608.

51. W.P. Morrell, Britain in the Pacific Islands, Oxford, 1960, p. 29.

52. For these new ventures cf. accounts in the Macarthur Papers Vol. 6, Mitchell MSS A2902. According to Macarthur Blaxcell bought the Favourite in Campbell's name because he held a 'country ship licence' from the East India Company. Campbell had a 50% interest in the Favourite, Thomas Jamison had a 25% interest and Macarthur and Blaxcell held 12½% each.

captain. Campbell remained with the Wellesley and a reinforced crew at Fiji, over-awing the natives with her cannon, while Dalrymple and his supercargo, Scott, chartered the Favourite for £1,000 to take them to Sydney on a rescue mission. Dalrymple died on the way and Scott took charge of the ship much to the fury of its part owner Simeon Lord who fought vainly to prevent this in the courts. The Favourite brought 120 tons of sandalwood to Sydney on this unexpected return voyage.

In December 1808 the Favourite left once more for Fiji (probably with some sandalwood) and the General Wellesley was freighted to Canton by the partners with forty tons of sandalwood owned by the partners and five tons extra put on by Campbell, which he had collected in the Favourite's absence. On 14 February 1809, the Favourite arrived back in Sydney with more than 100 tons of wood.

Meanwhile the General Wellesley had reached Canton where Baring & Co, Macarthur's agent, succeeded in obtaining a net return of only \$7,889 (port dues, expenses, etc. paid) for the forty tons and the five tons combined. Campbell's five tons only averaged \$40 a ton (some could not be sold at any price) while the forty tons only averaged about \$198 a ton. The price range was from \$13 a picul (133 $\frac{1}{3}$ lbs) to \$3.25. According to one report a Nantucket captain, almost certainly Chase of the Criterion, had obtained \$27 a picul in January 1806,⁵³ and in the Santa Anna law suit Lord claimed Chase had got this price - which is roughly a shilling a pound.⁵⁴ So the

53. Columbian Sentinel, Boston, 28 Jun 1806.

54. For reference see footnote 37 above.

General Wellesley's cargo sold for a disastrous price, and Lord's anguish at seeing his business rivals apparently carrying out his own plan in a ship which he partly owned must have been assuaged. Meanwhile, Macarthur and partners found themselves with a large quantity of sandalwood on their hands. Unaware, of course, of the decline of the Canton price they sent the Elizabeth to Canton with 120 tons of wood with Hannibal Macarthur as supercargo. There both brig and cargo were sold - the brig for only \$2,000 though she was insured for \$10,000, and the wood for only \$13 a picul, or about \$27,413. With the \$2,000 for the brig this meant a gross of \$29,413, but Baring's commission, pilotage and other port dues, wages of officers and crew reduced this to \$7,688 and from this meagre sum had to be deducted no less than \$3,426 for insurance premiums on ship and cargo. The last figure indicates how disappointing the partners must have found the sales for at a premium rate of six per cent they had valued the brig and cargo at \$56,828. Thus brig and cargo sold at Canton for slightly less than half their Sydney estimated value.

Fortunately for the partners Macarthur had a stroke of luck. When he left Sydney for London in the Admiral Gambier in 1809 he took 110 tons of wood with him and encountering an American captain at Rio as ignorant of the prevailing Canton prices as himself, sold him 55 tons at £70 a ton which, all dues paid, netted the partners £3,381. The remaining 55 tons he shipped to Canton with the unsuspecting captain on freight where they netted \$9,217 or \$14 a picul. While this figure is arrived at after freight has been deducted, an insurance premium (not known but probably about \$350) must be deducted. (John Macarthur insured the cargo when he

reached London at a fairly cautious valuation of \$12,000.) It is perhaps worth pointing out that as with the Elizabeth's cargo, and that by the General Wellesley and with a further cargo of 55 tons sent on the Lady Barlow to Canton in 1809 which sold for \$6,200 - the worst price of all! - no deductions have been made for the cost of extraction, trade goods etc. The wood sent on the Admiral Gambier (and probably the rather obscure shipment on the Lady Barlow) was obtained by the Favourite. From Macarthur's windfall at Rio and the return from Canton would have to be deducted the depreciation of the Favourite on two voyages, and the Favourite's other expenses, stores, wage bill, etc. Moreover just to get the wood from Sydney to Rio cost \$1,200 in freight. The records surviving are just not complete enough for us to draw up an accurate profit and loss account for the Macarthur-Blaxcell-Jamison-Campbell sandalwood operations, but the likelihood of an overall profit is very bleak indeed.⁵⁵

The boom, if one could so describe it, was over. American traders had lowered the price of a once scarce article by their large consignments, but it was not simply the depressed price at Canton which ended the boom. Sydney sandalwooders faced another problem - the supply of wood at Fiji was diminishing and the hazards of extracting it increasing. Several hundred tons of the wood had been felled by Sydney-based entrepreneurs and American visitors were at least equally successful. Although sandalwood was occasionally found there, as a staple it had proved a failure. In 1809

55. For records in which these transactions can be traced see Macarthur Papers, Vol. 6, Mitchell MSS A2902, and Equity Court Papers, Campbell v Macarthur and Oxley, 1817, N.S.W. Archives.

Robert Campbell, whose commercial concerns in Sydney were drifting into shoal water, made a serious attempt to get a cargo to China. The Hunter, one of Campbell & Co's ships which had arrived in April, was sent to Fiji in May to rendezvous with the Perseverance. She only succeeded in getting 75 tons and according to Blaxcell writing to Macarthur in November 1809, the Perseverance herself, after staying on at Fiji, arrived back in Sydney without "a stick of sandalwood" on board. He gloomily concluded: "Thus the sandalwood speculation is at one end."⁵⁶

In November 1810 the Hunter, back in Sydney from Bengal once again, left for Fiji to make another attempt. The result is not known, but on the following February 17, the Hibernia, owned by Blaxcell and Campbell, returned to Sydney from Fiji after an adventurous voyage but with only four tons of wood on board. She had encountered the American ship Hope at Fiji whose master, Chace, had had no success although he had had plenty of trade goods. All the sandalwood, he reported, appeared to have been cut down.⁵⁷ Joseph Underwood had signed articles with a crew which included Oliver Slater to take the Marian, of which he was part owner, to Fiji and then to Canton to buy a China cargo. Like Macarthur with Campbell, he intended to evade the East India Company's protective regulations by allying himself with a Calcutta merchant-captain, Bruce, who had come to Sydney in the Cyclops, now sold to Campbell and Blaxcell. However, Underwood saw that the Fiji boom was over with his customary clear-sightedness and persuaded the crew to go to Bengal on wages in place of going to Fiji on shares.

56. Macarthur Papers, Vol. 4, pp. 15-16, Mitchell MSS A2900.

57. Perhaps Peter Chase of the Criterion making a return visit, Sydney Gazette, 24 Feb 1810.

Explaining his action to Governor Macquarie in March 1810 he referred to the sandalwood trade rather wistfully in words which remind us of Lord's earlier letter to Bligh. Purchasing China goods with sandalwood would be a means "Whereby the want of internal resources would be much relieved and a staple commodity supplied by the Spirit of Adventure to the great advantage of the colony itself by the substitution of an Article of Trade in lieu of draining it of its circulating Specie..."⁵⁸

Although no real basis for hope remained that sandalwood would ever serve as an effective staple, hope would at times flare up. In 1814 William Campbell, Alexander Riley, D'Arcy Wentworth, William Charles Wentworth and Garnham Blaxcell formed a company to exploit a large stand of sandalwood alleged to have been discovered on the island of Raratonga. W.C. Wentworth went as supercargo on the Gumberland, a vessel owned by Campbell and Blaxcell, but the expedition ended in disaster, several lives were lost and no sandalwood was to be found on the island.⁵⁹ Shortly after this failure, news reached Sydney of the discovery of sandalwood at the Marquesas and Campbell acted with such dispatch that he landed 59 tons of Marquesan sandalwood in Sydney in February 1815. Although it was claimed the wood was worth £4,000, in fact it only sold for \$8,745 or rather less than £2,220 and after all expenses to and at China had been deducted, the consignment only yielded about £1,000. The price in Canton had by June 1815 dropped to

58. C.S.I.L. 1810 N.S.W. Archives 4/1723, pp. 232-234, 236-238.

59. Not New Zealand as stated in Abbott and Nairn (Growth), p. 298. For detailed account of this venture with useful background material on the sandalwood trade cf. H.E. Maude and M.T. Crocombe, "Raratongan Sandalwood: An Ethnohistorical Reconstruction", Journal of the Polynesian Society, Vol. 71, No. 1, Mar 1962, pp. 32-56.

only \$10 a picul.⁶⁰ American traders were very active in the Marquesas which were also visited by New South Wales vessels - Isaac Nicholl's Endeavour and Joseph Underwood's King George in 1816 for example. Little success could be expected from these efforts and in any event Macquarie had re-imposed Bligh's sandalwood duty, an inexcusable burden on a declining trade.

Sandalwood was, therefore, never a very useful staple to Sydney's first merchant venturers, although it is easy to see why they were persuaded to pursue this will-o'-the-wisp: the very high prices which Chase obtained in January 1806 (and probably also the captain of the Fair American in 1805) were exciting. Sydney might be poor but profits could be won by the man with goods to sell. No goods except spirits were more desired than Chinese merchandise - teas, silks, chinaware especially, particularly when bought cheaply at source. But how were they to be bought? Sandalwood was no answer to the problem in the era of Macquarie. It is true that between about 1830 and 1865 new discoveries, particularly at the Isle of Pines and in New Caledonia, revived the trade. Tea was imported into Australia which had been bought with sandalwood, but as the historian of this trade has most convincingly demonstrated, even in mid-century the trade was highly speculative.⁶¹

60. It is against this background that one must consider Campbell's letter to W.S. Davidson, then resident at Macao, suggesting that the latter should send Campbell a cargo of Chinese merchandise and in return he would dispatch 200 tons of sandalwood from an island he had discovered. Nothing came of this dubious and probably dishonest proposal. The letter was written in March 1815. Macarthur Papers, Vol. 4, p. 44, Mitchell MSS A2900. For a full account of the returns and charges on the 53 tons sent by Campbell on the Marquis of Wellington in 1815 see Equity Court Papers, Campbell v Macarthur & Oxley 1817, N.S.W. Archives or transcript in Hainsworth (Builders), pp. 124-125.

61. Dorothy Shineberg, They Came for Sandalwood, Melbourne 1967.

Merchants were tempted to participate in it not so much because the rewards would be high as because the capital investment required was comparatively low. Significantly few were prepared to hazard new or even especially "well-found" vessels in the trade, and the most successful trader of all - Robert Towns - who averaged £1,000 a year for about a decade, had many other more important irons in the fire. The trouble with sandalwood was that it was only valuable because it was scarce. The more stands of timber you discovered the likelier you were to depress the price. During the Macquarie period American traders were very active in the Marquesas - too active for any hope of a repetition of Chase's prices of 1806.

Of course in addition to the hazards of the market, the trader faced the hazards of the islands. In 1810 Alexander Berry fell into the hands of cannibals and with difficulty escaped with his life.⁶² Even when an impermanent and dangerous alliance with the natives was established this normally meant that the trader earned the automatic hatred of his new friends' traditional enemies. The result was too often a futile and often expensive involvement in tribal wars. Yet if such an involvement was perilous it was difficult to evade. What use would an expensive treaty be if the chief who had "signed" it was overthrown and his tribe killed or dispersed? Yet if association with a tribe was dangerous it could not be avoided either. The crews of the vessels were neither numerous enough nor well enough armed to operate far from their boats, and were totally dependent for a cargo on the

62. Cf. Alexander Berry's MSS 'Portions of a Narrative of a Voyage from New Zealand', Berry Papers, Vol. I, Mitchell (Uncat.), MSS 315; Hainsworth (Builders), pp. 118-121.

natives willingness not merely to sell it but also to move it down to the shore.

The natives would not, even in Simeon Lord's day, perform these labours and surrender their timber for a handful of beads and a roll of cloth.⁶³ Their demands varied from place to place and from time to time but were always both specific and adamant. Whether it was iron axes, guns or ivory (sea elephant or whale's teeth) if the trader did not have it he would not fill his ship. In view of these difficulties, together with the navigational hazards of uncharted shoals and coral reefs, and the obstacles to direct trade erected by the East India Company, it is little wonder that even before the Sydney traders had stripped Fiji of its timber, sandalwood had proved a failure as a colonial staple. Like seal oil and seal skins - and eventually whale oil - sandalwood proved a blind alley in the search for a permanent export staple. That is not to say that Lord, Macarthur and the others spent their energy uselessly. The lure of sandalwood took the colonists to the Islands, made them Pacific-minded and gave them experience of the Islands, their reefs and above all their inhabitants which was to prove of substantial importance to Sydney's development as a centre of Pacific trade during the nineteenth century. Thus the sandalwood trade, though it did not make its protagonists rich, was of importance to the colony and has its part in the story of colony-building before 1821.

63. For an invoice of trade goods for one of Lord's Fiji ventures see Appeals Court Papers, Lord v Harris & Maclaren 1807, pp. 588-589, N.S.W. Archives 4/6606 and transcript at Hainsworth, (Builders), pp. 116-117; see also Berry's remarks about trade goods, Hainsworth, (Builders), p. 117. It is perhaps worth remarking that the trade goods would not represent a 'sterling export' to set against the 'staple export' of the sandalwood. Apart from the ivory they were ordinary goods which would have been imported into the colony irrespective of the sandalwood trade.

PART FOUR: ALTERNATIVE ENTERPRISES.

Chapter Eleven: The Dawn of Industry.

... I do not conceive that it is consistant with the policy by which this country has always been guided, to encourage in any of her colonies, however distant, the establishment and growth of manufactures...

J. T. Bigge, 1822

Our manufactures as yet consist of but a few essential articles and necessity has compelled us to institute them, from the difficulty and expense of securing a regular supply by importation alone.

Peter Cunningham, 1827¹

Commissioner Bigge sounds rather reproachful, and Peter Cunningham sounds rather apologetic that any kind of manufactures should have appeared in the colony for the mercantilist philosophy of the "old colonial system" was still a powerful influence on the minds of Englishmen. Nevertheless, thanks to the initiative of Sydney traders manufacturing and processing industries emerged very early and helped to transform New South Wales from penal settlement to colony. An historian has already broadly analysed these developments, and the role of government as manufacturer in the first forty years of settlement.² My purpose

-
1. J.T. Bigge, Report on the State of Agriculture and Trade in New South Wales, London, 1823; Peter Cunningham, Two Years in New South Wales, London, 1827.
 2. Gerald P. Walsh, "The Geography of Manufacturing in Sydney 1788-1851" Business Archives and History, Vol. 3 no. 1 Feb 1963 (hereafter Walsh (Geography)); chapter 13, "Manufacturing" in Abbott and Nairn (Growth) (hereafter Walsh (Manufacturing)).

here is not to retrace the same ground but to closely examine how the traders supplemented or altogether replaced government activity, and also launched types of manufacturing in which government was not concerned.

It was natural that government should play a dominant role at first for it had the responsibility of clothing, housing, feeding and finding employment for its convict charges, both male and female. Inevitably government was the chief employer of labour, layer-out of capital, and, of course, consumer. In a limited way, also the local Governors were prepared to foster industrial enterprise though their encouragement was haphazard and somewhat capricious. Certainly after they had launched brewing, salt making, milling, crude textiles and operated a number of crude industrial processes which they needed for their convict charges, the government allowed some of these ventures to pass into private hands, although the motive was probably economy rather than the fostering of private enterprise. However, there are few signs that the Governors attached great importance to colonial manufacturing. Bligh dismissed it as trifling, and while Lord's textiles and other ventures were launched under Macquarie, and the latter was prepared to use Lord's products for the convicts in his charge, one looks in vain for any sign that the "Old Viceroy" appreciated the long term significance of such enterprise. This then is not a study of such governmental activity as the Parramatta convict factory, but of the contribution made by privately owned

industries to the colony's development. Though they were often primitive and sometimes not even very profitable, their contribution was not slight nor was the foundation laid to be impermanent.

The first colonists, confronted by an inhospitable environment and the discomforts and even hazards of their isolation from Europe, needed to be adaptable. Fortunately for the unskilled majority some were as ingenious and indefatigable as they were ambitious for gain. Moreover the isolation and the distraction of a home government engrossed in waging the greatest war in England's history, were both factors likely to encourage private enterprise. The isolation from Britain and the sea-lanes gave the colonists some measure of protection, while the British government was too eager to see the colony achieve a measure of economic self sufficiency to be concerned about mercantilist orthodoxy. An impetus to manufacturing was the fact that supplies of goods from England and elsewhere came irregularly and spasmodically, causing an uncomfortable and commercially perilous alternation of glut and scarcity. Local goods might be of inferior quality, either in materials or workmanship, but at least the entrepreneur could control the flow of goods he made himself. Another impetus on men like Simeon Lord was the cutting off of their credit in London and Calcutta during the depression years after 1810.

The first industries have been classified under two heads: firstly, industries processing local products for local consumption,

for example, flour milling, salt-making; secondly, industries which produced goods which competed with imports, for example, textiles, tanning, rope making, brewing.³ Before considering these two categories in detail, it may be well to ask what capital was available to found such enterprises? Some manufacturers brought capital with them to the colony, either in funds or equipment. Others accumulated capital in other enterprises, usually commerce, and turned to manufacturing when commerce seemed a less likely investment. James Wilshire, who arrived in Sydney in 1800 and served for a time as an official in the Commissariat Department, subsequently founded the colony's largest tannery. In 1821 he told Macquarie that he had left England with considerable capital, but as it was in his interest to make much of this the claim may be treated with some caution.⁴ Certainly it is likely that part of his capital came from the unofficial perquisites of a Commissary Store position. On the other hand the miller John Dickson brought out goods and equipment worth more than £9,000 in 1813, including a steam engine valued at £5,200.⁵ Simeon Lord presumably employed the residue of a fortune made in commerce, sealing and sandalwood. He claimed to have invested £8,000 in his woollen mill, but this figure may have been

3. Walsh (Manufacturing) p. 245.

4. Walsh (Manufacturing) p. 246.

5. C.S.I.L. 1813 p. 257 N.S.W. Archives 4/1728; transcript at Hainsworth, (Builders) pp. 128-129.

inflated.⁶

It is certainly true that lack of capital did not deter the ingenious and that, as in the industrial revolution in England, concerns were launched on little more than hope, skill and a small amount of savings or a loan. In 1801 James Badgery, miller and baker in Sydney, had a dwelling-house, mill-house and pigstye built on to his Chapel Rowe premises for only £67 and of this £47 was to be paid during the eight months construction period in "property" - that is, "Green Tea at the Rate of One Pound and Four Shillings per Pound, Sugar at Eighteen Pence per Pound, Bread and any other article" that the carpenter, Richard Phillips, might require "at the...Current Camp Price of the Town". The remaining £20 was to be paid on the completion of the work.⁷

Under Macquarie more sophisticated methods of providing capital emerged. Lord and his partners formed a joint stock company to exploit New Zealand flax in 1814. Two hundred £50 shares were drawn up of which 182 were taken up at a public meeting, although what proportion of the share had to be paid is not clear.⁸ Late in 1818 a paper-making venture struggled to life in Sydney. There were three partners, Frederick Fisher (in whose name the business was carried on), George Duncan and John Walker. Duncan had the technical knowledge and was to receive 50

6. C.S.I.L. 1816 pp. 84-86, 4/1735.

7. S.C.P. Bundle 30 Item 17 N.S.W. Archives 1113.

8. Sydney Gazette 18 Jun 1814; H.R.A. I, viii, 585.

per cent of the profits, but of this he was to pay half to Walker in return for provisions, etc. The business was carried on in a portion of a building called Bank Mill, between Sydney and Botany, owned by another entrepreneur, Thomas Hutchinson. Fisher was to handle the selling of the product for 25 per cent of the profits and the remaining 25 per cent would go to a man who knew the trade (un-named) who was to be hired as assistant to Duncan. In order to finance more elaborate machinery than he and his associates could afford, Fisher sought to "go public" and sold £5 shares to fifteen traders and officials, including Simeon Lord who took two shares.⁹ The other subscribers were John Piper, Thomas Wylde, J.J. Moore, Robert Jenkins, Richard Brooks, Thomas Rose, Thomas Palmer, Charles Tompson, John Connell, Samuel Terry, Edward Eagor and Robert Campbell Jnr. while Darcy Wentworth and Judge Advocate Wylde subscribed £2.10.0 each. Macquarie's interest was aroused for he accompanied Meehan, Deputy Surveyor-General, to pick a site for the paper mill in December 1818.

The first industries to appear in the colony were concerned with processing local products for local consumption, and the most important of all was milling for the prime necessity of the first colonisers was

9. The property was held in trust for the subscribers. S.C.P. Bundle 22 Item 18 N.S.W. Archives 1159. The writer cannot say how the venture prospered but in January 1965 he found a scrap of coarse paper in the Equity Court Papers in the N.S.W. Archives which was identified as manufactured by this concern.

to be able to mill their grain efficiently and economically. The development of the flour milling industry, both public and private, has already been closely analysed by Walsh, who demonstrates that although the Government built the first mills (initially man-powered mills operated by convicts, and later windmills), private enterprise began to supplement these efforts quite early.¹⁰ By the end of 1809 seven mills had been built in Sydney by such entrepreneurs as John Palmer, Nathaniel Lucas and John Macarthur. The last named built his mill at Pyrmont, the construction being carried out by his builders yard there, while the millstones he bought from Government.¹¹ (Blaxcell leased the mill after Macarthur's departure from the colony in 1809). Other mills had been set up at Parramatta and the Hawkesbury before 1810.

It was clear that a water mill would be a most useful reinforcement to the wind mills, but the scarcity of good mill wrights and the difficulty of finding streams with a reliable flow of water in the summer proved serious obstacles. In May 1810 Richard Palmer, an employee of Henry Kable, asked for a grant of land on which to build a water mill. While Macquarie considered the request nothing seems to have come of it.¹² The first successful water mill was built by an enterprising

10. Walsh (Geography) and (Manufacturing) passim.

11. Macarthur Papers Vol. 7, Bill Book, (Pyrmont Accounts) Mitchell MSS A2903.

12. C.S.I.L. 1813 p. 302, N.S.W. Archives 4/1723.

convict called Thomas West, who was given a conditional pardon by the Governor in 1813 in recognition of his good conduct, sobriety and industry and "also in consideration of his having erected a water mill..."¹³

In 1813 John Dickson brought out to Sydney a consignment of goods worth £9,600, which included a steam engine and machinery not only for grinding corn but also for operating a saw mill.¹⁴ Although Dickson successfully set up his mill on the shores of Cockle Bay his machinery did not give him that paramount position in the milling industry to which he felt entitled. In November 1821 he virtually accused the Governor of favouring his competitors, the Lachlan and Waterloo water mills by signing exceptionally favourable contracts with them, and threatened to appeal to the home government. Referring to his own plant he wrote angrily:

"Your Excellency has been an eyewitness to the enormous expense I have been at in Erecting a Steam Engine and Flour Mills, making embankments, wharves, warehouses and Dwelling House for myself, and Every necessary for carrying on the flour Business with the greatest facility and Perfection...and all without the slightest assistance from Government."¹⁵

On the other hand his competitors had been supported by Government in spite of the fact that the only property they had brought into the country was fetters! In fact Dickson's accusations of unfair dealing

13. C.S.I.L. 1813 pp. 316-317; Hainsworth (Builders) p. 128

14. See foot-note 5 above.

15. C.S.I.L. 1821 pp. 187-240, 4/1751.

seem without foundation. The quarrel demonstrates, however, that flour milling was an increasingly competitive industry by the end of our period, and indeed during Macquarie's governorship a number of men had invested in the industry.

In 1819 Hutchinson, the Principal Superintendent of Convicts, was building a water mill "near Sydney", and Macquarie wrote to the Navy Commissioners asking them to permit Hutchinson's London agents to load machinery and send it out freight free, for the mill would be "of great public utility".¹⁶ The following year T.W.M. Winder addressed himself hopefully to the Governor. He wished to abandon commerce because of the depressed state of business in an overstocked market. He had just made a losing voyage to Calcutta and had had enough. Now he wanted to build a water mill for grinding flour on a stream "near to Mr. John Hutchinson's mill" (that is on a stream running into Botany Bay). Macquarie said he could build his mill if it would not harm the three other mills already on the stream, a clear indication of how Sydney's industries were expanding, but Government could give him no assistance in a private speculation. However Winder received a grant of 400 acres of land in 1820 on condition that he built a mill on it within five years. Meanwhile in 1820 the Lachlan Mill was set up on the Lachlan Swamp and the Waterloo Flour Mill was built on Shea's Creek.¹⁷

16. C.S.I.L. 1819 p. 360, 4/1742.

17. Walsh (Geography) passim.

Steam and water had not driven the wind mill out of existence by the close of our period, however, for Sydney had eight wind mills operating in 1821, three of them established after 1812 at Millers Point.

If it was important to have enough mills to grind the colony's grain, it was also important that the grain should be ground efficiently and quickly. (It was a grievance of settlers inland that they frequently lost part of their crop to weevil because of delays in having their grain milled.) Until the first wind mill was built in 1797 costs and wastage were such that settlers had to sacrifice half their grain to get the other half ground. By 1804 this had dropped to a quarter. Efficiency increased in the Macquarie period. Whereas hand mills could grind about half a bushel of wheat in one hour, a horse driven mill could grind three or four bushels, and water and steam mills were still more rapid. The Waterloo Mills ground 1,600 bushels in one week in 1821, while Dickson's steam mill with one pair of stones working could grind ten bushels per hour. Moreover the steam mill provided a finer product with less waste. In 1821 Dickson contracted to supply forty-two and a half pounds of flour and twelve pounds of bran out of fifty-six pounds of wheat.¹⁸

Closely allied with milling was the trade of baking, and Sydney had its private bakehouses early. Sometimes one man would combine

18. Walsh (Manufacturing) p. 251.

both functions like James Badgery. The bakers came under government regulation in 1801 because of the likelihood of abuses in times of a dearth of flour through drought or flood. In that year a Government and General Order fixed the quality, composition and weight of loaves. In 1807 Bligh stipulated that all bread should be of standard weight, that bakers should be licensed and that the magistrates should fix the price weekly, basing their decision on the average price of wheat during the preceding week. This regulation was still in force in 1821.¹⁹

Like flour, salt was of fundamental importance to New South Wales from the first. It was needed for the primary function of salt in the pre-refrigeration era, the preservation of meat, especially pork, in brine. During King's governorship it was also a vital element in the success or failure of the sealing industry. London would not take dried skins. They must be salted. Let the salt be skimmed and a valuable cargo was a ruinous loss. In July 1801 Governor King wrote to Lord Portland that a whaler had arrived with fifteen tons of salt from the "Cape de Verde". This King had bought for $1\frac{1}{2}$ d a lb., and thereby had been enabled to send the Porpoise to Tahiti, and the little Norfolk to Norfolk Island "to salt what pork they can procure." The Porpoise returned at the beginning of October with 31,000 pounds of "excellent salt pork".²⁰ Bass and Bishop's vessel Venus brought a cargo of pork from Tahiti the following year, along with a "quantity of very fine salt"

19. H.R.N.S.W., iv, 364, 367; Sydney Gazette 18 Jan 1807.

20. H.R.A. I, iii, 137-139, 320-321.

from the Sandwich Island. This was much needed for salting pork at Norfolk Island, to whose settlers it would be sold for $2\frac{1}{2}^d$ a pound in grain.²¹ Tahiti produced no salt, Bass told Waterhouse in a letter describing this venture, so the Venus had had to make a special journey to the Sandwich Islands.²²

Unfortunately for the colonists New South Wales appeared to lack natural deposits of acceptable quality. The colony's first locally produced salt was manufactured at small government establishments on Sydney harbour and at Newcastle. However, the entrepreneurs moved into salt-making quite early, and private salt-works were set up in Cockle Bay, Middle Harbour, Neutral Bay and on the Hawkesbury.

In January 1806 Governor King decided to leave salt-making in private hands and a Michael Burne (or Byrne) was awarded a three year lease of the Government salt pans at "Green Bay", Sydney, together with the associated buildings, wharf, an adjacent 3,000 acres of woodland and three men "off the stores". Burne contracted to supply Government weekly with 700 pounds of salt "fit for curing meat". Any surplus he was to sell at no more than 14s per hundred-weight wholesale, nor more than 2d a pound retail. Government in turn contracted not to sell at less than 2d a lb. Burne was not to sell any person enough salt to give him a monopoly of the retail market, but must always have some on hand

21. op. cit. 747.

22. Macarthur Papers, Vol. 7 Bill Book, pp. 46-49 Mitchell MSS A 2903.

for the public.²³

Promptly Burne farmed out the contract to four other men who agreed to supply him with 700 lbs. of salt weekly, and all surplus at 12s a hundredweight. He was to supply the equipment, two working bullocks, harness, etc. The contract was to run for three months during which time they were to pay him £1 1s a day, with a 3s a day fine for every day they held the pans over the three months. The contract would expire but the men would have first preference of renewal. By these agreements Burne got £1 1s a day with 2s profit on every hundredweight of salt, and it is difficult to see what he invested to yield this return save for the use of certain equipment (unspecified), two bullocks and some harness. Moreover while he guaranteed the Government in his contract that he would not supply salt to one individual in such quantity as to give him a monopoly, his sub-lessees were contracted to supply only him with salt - which seems to defeat the Governor's intentions!²⁴

Pork was one of the main products of Norfolk Island but salt was always a problem there. Entrepreneurs seeking pork there needed salt to give the islanders. Thus in June 1806 John Macarthur wrote to Captain Piper, commandant at Norfolk Island:

23. C.S.I.L. 1804-6 pp. 40-41 N.S.W. Archives 4/1720.

24. op. cit. 122, 144, respectively. See also edited version, Hainsworth (Builders) pp. 130-132. Between February and March 1806 Burne supplied Kable and Underwood with £139 4s 6d worth of salt, see "account of payments to daily labourers", Lord v Kable & Underwood, Court of Civil Jurisdiction, Cause 315, Case Papers, N.S.W. Archives 2279.

"You will receive from the Pitt 20 casks, 1200 Weight (sic) of Salt and 6 lbs of Saltpetre which I have taken the liberty to trouble you with, designing still further to trouble you with a request to employ any person who will undertake it to salt what Pork the Salt will cure on the best and cheapest terms" 25

The pork was to victual the brig Elizabeth he had recently bought, and proposed sending "among the Friendly Islands on speculation".

William Broughton was to have preference if he had pork for sale.

John Macarthur, involved in a wide variety of enterprises after his return to New South Wales, must often have needed salt. One of his surviving accounts shows the profit and loss on an enterprise called "the Botany Bay Fishery". In the accounts is a charge of £5 for 300 lbs. of salt at 3d a lb.

In another account called "the Broken Bay Fishery" some 4,600 pounds of salt are shown on the credit side, because from 19 October 1807 to 18 July 1808 Macarthur was involved in salt production for himself. He paid five men a total of £267 in wages during this period for hauling wood to the boilers at Pyrmont. (He paid them at a rate of 30s a week). The salt-boiler, whose name was Taylor, was paid 5s a hundred pounds for making 48,689 pounds of salt (£121 14s). From this a deduction of the wages of "half a man" for 39 weeks was made leaving total labour costs for the enterprise of £385 17s. Other expenses include trypots from Broken Bay (which were Macarthur's own - this was a book debt) £124 3s 5d while he purchased another four for a total of £78.

25. Piper Papers Vol. III, pp. 473-474 Mitchell MSS A256.

Thus the total expense of manufacturing nearly 50,000 pounds of salt was £588. Against this can be set a total credit of £608 12s 3d, mainly for supplying salt to his and Blaxcell's vessels, the Parramatta, the Venus and the Favourite. Only trifling amounts went outside the Macarthur-Blaxcell partnership.²⁶ The modest profit was therefore a "book profit".

The efforts of John Macarthur were directed to supplying himself with salt. John Blaxland's plans were much more ambitious. In 1807 he started salt pans at his estate of Newington, established on marshy land at the junction of the Duck and Parramatta Rivers. In a petition to the New South Wales Legislative Assembly nearly eighty years later John's daughter claimed that he brought to Australia in his party "a Superintendant and men from the Leamington Salt Works". Once he had selected Newington he started "... trenching and embanking the forty acres he enclosed for the saltworks which for years afterwards supplied Salt for the whole Colony."

The same source states that the project was undertaken at the suggestion of the "Ministry", i.e. the British government. That it was a success is attested by the fact that the Newington Salt pans continued to operate until the 1880s.²⁷ In 1807 Blaxland seems to have "farmed out" his salt works for in a later court action it appeared that the

26. Macarthur Papers, Vol. 7 Bill Book pp. 46-49, 62-63 Mitchell MSS A2903.

27. Blaxland Papers pp. 91 ff, Mitchell MSS A1322; Walsh (Manufacturing) p. 255.

recipient of the "farm" had in turn sold the privilege to Simeon Lord the same year he received it. For a period then the salt making must have been carried on by Lord.²⁸

Garnham Blaxcell was almost certainly associated with John Macarthur in the Pyrmont salt making. In 1810 Blaxcell agreed to purchase the Government's Rose Bay pans for £220.²⁹ Early the following year he was advertising an establishment formed at considerable expense, to make further importations of salt from the United Kingdom unnecessary. The public could now obtain salt "guaranteed to cure meat" from his warehouse at 2d a pound by the hundredweight, or at 5s the 28 pounds. Retailers were offered three months credit.³⁰

The brewing industry was fostered by Government in the pious hope that if men drank more beer they would drink less spirits. (As a corollary to this patronage of brewing, determined if unsuccessful attempts were made to stamp out illicit distilling). Walsh has described the early history of the brewing industry and it is here only necessary to say that while a Government brewery was established at Parramatta in 1804, and small private breweries tended to spring up in seasons of abundant harvests, the industry faced early problems too severe for most of the private breweries to weather. Sales were slow because spirits and

28. *Stewart v Lord*, Court of Civil Jurisdiction, Proceedings, Case 301 Vol. 11 and Case Papers, N.S.W. Archives 1109 and 2286 respectively.

29. C.S.I.L. 1810 p. 17 N.S.W. Archives 4/1725.

30. *Sydney Gazette* 2 Mar 1811. Sealing gangs sometimes boiled salt at such places as Kangaroo and Macquarie Islands and were entitled to a "lay" of the salt in the same way as the skins. R. of A., V, Nos. 693-4 Mitchell MSS A3611.

Imported beers were more popular, and in bad seasons grain could not be spared. In February 1806 the Government brewery was leased to Thomas Rushton, a Parramatta emancipist, who had to fulfil certain conditions and to supply 200 gallons of beer a month for the use of the convicts. It is not clear how long Rushton held the brewery, for the Government seems to have briefly operated the factory after this, but financial losses and shortages of barley put it out of business. Finally the Government leased it to emancipist entrepreneur James Squires for three years in exchange for £220 paid in grain on 28 March 1808.³¹ The brewery closed down after two years, however. During the Macquarie period the industry was frequently in difficulties which were exacerbated by Macquarie's imposing a \$55 licence fee, and the industry markedly declined in the period 1816-1820.³²

Attempts were made to cultivate the vine for wine making without commercial success during this period. There is little to suggest the major industry which lay ahead. Among those interested in the prospect was Gregory Blaxland, who had observed at Madiera how the vineyards were managed at the season of the vintage. At the Cape of Good Hope he also watched "the full management of the grape out of the cellar". On his arrival in New South Wales he discovered that colonists had tried to cultivate the vine, had at first appeared to succeed, and had then failed.

31. For Rushton. S.C.P. Bundle 22 No. 8 N.S.W. Archives 1159 and Hainsworth (Builders) p. 134-135; for Squires, R. of A., II, No. 47 Mitchell MSS A3640 and Hainsworth, p. 136.

32. Walsh (Manufacturing), p. 253. Distilling was not legalised until 1822.

Blaxland was sufficiently enthusiastic about vine culture, despite these discouraging warnings, to go in search of clippings of different kinds to abandoned vineyards or to "Gardens where they had been cultivated and not destroyed, but left neglected either in a corner or against a Building" After early failures he began in 1814 to use a deep trenching system of planting he had seen at the Cape, and by making use of knowledge acquired at Madiera he produced a quantity of wine which Governor Macquarie drank with expressions of approval.

By 1816 Blaxland was prepared to employ most of his capital in winemaking but only on condition that he was allowed to make brandy from the inferior wines in all years, and from all the grapes in bad seasons. He sought such a permit from Lord Bathurst in September 1816, stating that "until some exportable article is effected ... the Colony will remain an expensive if not useless appendage to the British Government", and added: "An export of wine does not seem so certain to answer. One day one sort of wine is in fashion, one day another, but good Brandy is likely to find a ready sale at all times and at all Markets."³³ Lord Bathurst apparently was impervious to the blandishments of Mr. Blaxland in 1816 although he may have been influenced later. Certainly regulations permitting local distilling appeared in the Sydney Gazette in 1821 (to commence August 1822). The history of the distilling industry in

33. C.S.I.L. 1816, p. 116 ff, N.S.W. Archives 4/1735; Hainsworth (Builders) pp. 145-147.

New South Wales falls therefore outside the confines of our subject.³⁴

The extractive industries made little progress in the period under review. Coal was early discovered at Botany Bay, and Simeon Lord in partnership with one Hugh Meehan, exported the second cargo of Newcastle coal (100 tons) in 1801 to Cape Town. Government had exported the first on the Earl Cornwallis, about three weeks earlier.³⁵ However exporting coal proved unrewarding and extracting it was the kind of work in which Government with some capital and considerable resources of cheap convict labour, had too great an advantage. Sydney entrepreneurs played no part in the coal industry, other than selling it and moving it from one settlement to another on their own or Government's behalf. Government kept mining in its own hands and as late as 1825 Governor Brisbane was opposing a suggestion made earlier by Bathurst that leases of mines should be granted to entrepreneurs. Brisbane

34. C.S.I.L. 1816, p. 116 N.S.W. Archives 4/1735 and for spirit regulations, Bigge (Agriculture) pp. 86-87. In July 1814 Blaxland had considered setting up as manufacturer of vinegar and tried in vain to persuade Macquarie to grant him a monopoly by offering to sell it at no more than 5s a gallon. This suggestion was rejected. C.S.I.L. 1814 p. 166, 4/1730 and C.S.L.B. p. 217, 4/3493.

35. H.R.A. I, ii, 609 with notes 145, 246. It may well be that Lord was responsible for the export of the coal on the Earl Cornwallis. King wrote Portland in July 1801 that a prize vessel "purchased by an individual in this place" (undoubtedly Lord) had just returned from the Hunter River with 150 tons of very fine coals and timber which he had sold to the captain of the Earl Cornwallis. This would be surface coal of course. H.R.A. I, iii. 116.

stated:

"... (the mines) had been hitherto kept in the hands of Government as there is no fit person to lease them on the usual principles of a Lordship, and if let to an unskilful Individual, might inundate and destroy the mine: Coals are a very productive revenue." 36

Commissioner Bigge said the quality of coal discovered was equal to ordinary English sea coal and expected to improve as mines went deeper. All the coal so far used or exported had been got out by convict gangs. Individuals had brought inconsiderable amounts to Sydney for sale.³⁷

If coal remained an insignificant reality in the hands of Government, mining for other minerals seems never to have been more than a dream. Simeon Lord was, of course, among the dreamers. In February 1812 he wrote to Governor Macquarie seeking permission to open an iron mine in Van Dieman's Land. The Governor noted he had no objection to Mr. Lord working the iron mine at Port Dalrymple, and importing the ore to Sydney, for a period of twelve months. Nothing seems to have come of this, and Lord's letter was not very optimistic in tone:

"Sir, Being desirous to try if the Iron Ore at Port Dalrymple can be smelted or otherwise used in the Colony I respectfully pray Your Excellency will be pleased to allow me to work a Mine and to Import to this Settlement such quantity thereof as may be necessary or that I may be able to procure ... to repay the Expences in case of succeeding in the Experiment." 38

36. H.R.A. I, xi, 587

37. Bigge (Agriculture) pp. 92-93.

38. C.S.I.L. 1812 pp. 55-56 N.S.W. Archives 4/1727.

Bigge reported that iron ore had been discovered eight miles from Port Dalrymple but said no attempt had been made so far to convert it into metal.³⁹

Of the many industries which competed with goods imported from Europe and elsewhere, tanning was particularly important and, in some hands, successful. Leather was needed not merely for boots and shoes as today but also for harness. Several small tanneries were established in Sydney and Parramatta after 1803. By 1806 the Sydney Gazette was commenting that tanning had already achieved an admirable degree of perfection, and the rapid increase and flourishing state of the cattle and other stock of the colony "presents the prospect of resources whose benefits will be great and general."⁴⁰ The closely related trades of soap and candle making were operating regularly after 1805.⁴¹ Government was involved in tanning, with ten yards at Parramatta. In 1806 an Andrew Nash agreed with Governor Bligh to work the Parramatta pits and to supply Government with three hides tanned out of every four untanned sent to him. The fourth he could keep for himself as his payment. The contract was to run two years.⁴²

Although many people, including Simeon Lord, were involved in the

39. Bigge (Agriculture) p. 73.

40. Sydney Gazette 23 Mar 1806.

41. Walsh (Geography) p. 28.

42. C.S.I.L. 1804-6 p. 112 N.S.W. Archives 4/1720.

tanning business, the chief tanner of the settlement throughout our period was James Wilshire. According to Bigge Wilshire "was bred to the business in England" and this seems most likely. In New South Wales Wilshire was first employed as a clerk by John Palmer. In July 1801 when Captain James Stewart of the ship Anne was granted Letters of Marque as a privateer, his bondsmen were John Palmer and James Wilshire. (He acted in a similar capacity in 1806 with Palmer for Captain Austin Forrest of the Campbell, Clarke & Co. ship Sydney.) As late as April 1803 Wilshire is referred to as clerk to John Palmer in a legal document, although it was in that year he began his tan yard operations on Brickfield Hill Sydney. They were destined to continue in operation until 1861.⁴³

In spite of a brisk demand for its products the industry faced difficulties in its early days; probably the worst was the shortage of skilled labour. In September 1810 we find Wilshire agreeing to pay Thomas Cosgrove a "sallery" of £150 a year to practice the art of leather currier, which seems high even for a skilled tradesman in early New South Wales.⁴⁴ Wilshire later claimed he discovered the tanning properties of certain Australian shrubs, including the bark of the mimosa, and the supply of tanning material was not hard to ensure, although the cost

43. Bigge Appendix, p. 76 Mitchell M/film 117; S.C.P. Bundle 30 Items 28, 35, N.S.W. Archives 1113; Walsh (Geography) p. 28.

44. R. of A., III, No. 14 Mitchell MSS A3610.

of procuring went up as the nearer sources of it were consumed. A major grievance with Wilshire was the activities of unscrupulous tanners, ex-convicts and convicts who imposed upon a deluded public by:

"... putting hides in a tub of lime and water which takes off the hair, and after into a second tub of bark and water which stains them so within 20 or 30 days to give an appearance of leather, in which state they are sold and made into shoes, harness etc., while the edges ... being blackened prevents discovery of the imposition for some time." 45

The trade in this stained leather had grown so great Wilshire complained in 1815, hawkers and peddlers could sell it for less than half the price of properly manufactured leather. Wilshire wanted a licensing system and Government inspection of tan yards and hides, etc. He reiterated these arguments to Commissioner Bigge, who in turn endorsed them in his report to the Home Government. In his evidence to Bigge in 1821 Wilshire claimed to tan about 1,900 ox and cow hides a year and 8,000 kangaroo skins, and 6,000 sheep skins, with a further 140 calf skins. To do this consumed about 150 tons of green and black wattle or mimosa, and also a kind of box bark. Much of this raw material had to come thirty or forty miles, and cost him £3 a ton. Processing it cost him a further £6 a ton, using about one and three-quarter hundredweights of bark to tan a 28 to 30 lb hide. Thus he reckoned a hide cost him some 10s to prepare. Sole leather he sold at 10d a pound and upper

45. Memorial of James Wilshire, 14 Jan 1815, Bigge Appendix, B. T. Box 13 pp. 903-914 Mitchell MSS.

leather at 3s 6d (only 2s 8d to Government). He tanned and cured upper leather hides for Government and charged £1 a hide. During the past year (1820) he said he had cured 208 hides for Government. His leather was so good the military sold the shoes they received from England for 2s 6d to 3s 6d a pair and bought his leather instead. However, the labour problem was as acute as ever. Curriers and tanners were not often found in convict ships, and he had only managed to get two since he started in business 17 years earlier. Lately a tanner and a currier had been sent to "Mr. Lord's" for though he had been put down for them this had been changed on Superintendent Hutchinson's order.⁴⁶ But despite Wilshire's grumbles this seems to have been a successful, profitable, and certainly from the Colony's point of view, highly valuable business. In 1815 he was operating 40 pits and claimed his weekly business costs were £18 sterling - a considerable sum. In 1803, when he began his business, leather was so scarce in the colony the normal import price for shoe leather was from 9s to 12s a lb. He had evidently helped to reduce this by at least 75 per cent.⁴⁷

One can only suppose that it was because Britain was a maritime nation, and thus dependent on naval stores, particularly spars and cordage, equally for her wealth and her safety that the subject of New

46. Wilshire's evidence before Bigge, 23 Jan 1821, Mitchell M/film C.O. 129 Reel 117 K No. 2.

47. For Bigge's description of Wilshire's business see Hainsworth (Builders) pp. 132-134.

Zealand flax could generate great excitement. When confronted with the possibilities of the flax plant strong men seemed to lose all sense of proportion: hard-headed men like Simeon Lord found themselves plunging into schemes surrounded by dangers and pitfalls, spending money wildly, the language of their documents, their business agreements, their memorials, becoming more exotic in phrase as they became less realistic in meaning. However, although some flax was imported from New Zealand, and some was grown in New South Wales, only the foundation of a viable and profitable industry was laid before 1821.

The subject of New Zealand flax was capable of exciting a Government servant five years before the First Fleet even sailed. James Maria Matra, proposing the formation of a New South Wales settlement in August 1783, talked of the flax plant (phormium tenax) as "an object equally of curiosity and utility"... It would serve, he said, the purposes of hemp or silk, but it was easier to manufacture. He claimed a 10 inch cable manufactured from it would be the equal of European hemp cable of 18 inches, while "our manufacturers" thought the canvas made from it the "superior in strength or beauty" of any produced in the United Kingdom.⁴⁸ Later the Government decided that Norfolk Island was to produce flax, but Lieutenant Governor King, on Norfolk and in closer touch with reality, had had opportunity to see the problems. He had tried to separate the

48. H.R.N.S.W. i (2) 2.

flax from the plant, but lacking skilled natives to show the way the attempt was not a success.⁴⁹ Nearly eighteen months later (October 1792) his report to Governor Phillip was equally gloomy. Vancouver had supplied the natives. Nobody had supplied the flax.⁵⁰ It is perhaps necessary to explain that King struggling with the intractable flax plant on Norfolk was an end result not merely of the enthusiasms of Matra but also of Sir George Young, who in his famous plan for the New South Wales colony, was equally enthusiastic about the possibilities of growing New Zealand flax there: this plant with uses "more extensive than any known vegetable."⁵¹ As a direct result Governor Phillip was instructed to attend to the cultivation of the New Zealand flax plant as a future possible article of export, as well as for use in the settlement.⁵²

The flax plant was, of course, a valuable vegetable. When Raven's Britannia made its second visit to Dusky Bay in 1793 to pick up the crewmen he had left there the previous year he noted they had made

49. Writing to Under Secretary Nepean, April 1791 he said: "Should the manufacturing of the flax plant ... be an object ... two or three New Zealanders would be necessary to show how the operation of separating the flaxy from the vegetable part of the plant is performed ... without ... I do not think we shall succeed as every method we could devise has been tried already, but without success." H.R.N.S.W. i (2) 486.

50. H.R.N.S.W. i (2), 683.

51. H.R.N.S.W. i (2) 11

52. H.R.N.S.W. i (2) 89.

"fishing lines and ropes" from the flax plant.⁵³ The problem was how to exploit its valuable properties in a commercially profitable way (that is, on a large scale) when it was only to be found in certain areas of New Zealand, remote islands, little explored, inhabited by short tempered tribally organised savages who practised the warrior virtues. Some of the attempts to tackle these problems are interesting, even though the practical success was meagre because of the light they throw on the way the Sydney adventurers sought to exploit and modify their environment. Although records are scanty about successful flax voyages to New Zealand we know of two attempts to form companies to exploit the plant.

On 27 January 1810 Simeon Lord, Francis Williams, Alexander Riley and Thomas Kent told Macquarie they considered the production of flax for export for naval purposes a fruitful way to increase local commerce. They had, therefore, sent to India and Britain for flax seed, and to India for artisans skilled in turning flax into canvas and cordage. All this would take time and be long before it could show profit, so in the meantime they hoped to set up an enterprise in New Zealand where grew a plant"... of considerable National importance."⁵⁴ The partners proposed to send a party to set up a depot in New Zealand on the Experiment which

53. Raven to King, 2 Nov 1793, H.R.N.S.W. ii, 94 ff.

54. H.R.A. I, vii, 294-296.

was bound for England, and which would carry home a quantity of the plant. Colonel Foveaux, who was going home in the vessel, was to be an interested spectator of the launching of the venture and would use his influence in London on its behalf. The partners sought a monopoly of the industry in view of the risks and initial paucity of profit.

Macquarie enthusiastically supported the venture, and agreed to recommend a monopoly for a number of years. The partners then suggested fourteen years, asked the Governor to solicit a ruling on how the venture would be affected by the East India Company monopoly, if at all, and pointed out the advantages of having otherwise empty transports carry home flax, hemp and spars from New Zealand.⁵⁵ The venture had not been fairly launched when the news of the Boyd massacre arrived, persuading Kent and Riley to withdraw from the venture. Undaunted Lord and Williams took in Andrew Thompson in their place, and commissioned one William Leith to replace Kent as New Zealand manager.

The Boyd disaster proved decisive in dooming the venture, however. On 15 April 1810 Leith reported from the Bay of Islands that the Experiment had arrived to find boat parties from the ships Speke, Inspector, Atalanta, Spring Grove, New Zealander and Perseverance engaged in punitive actions against the Maoris who had burned the Boyd, (and indeed against others who were quite innocent). Colonel Foveaux had

55. H.R.A. I, vii, 298.

decided to move to the ampler accommodation of the Speke and only four pounds of worked flax had been obtained before the Speke sailed for England. Andrew Thompson's schooner Governor Bligh, which was intended to assist take shore party and defend them from the natives, had not arrived and Leith was fearful that George Bruce, a man with considerable experience of the Maoris who was to act as interpreter, meant to betray them to the natives.

These and other anxieties, both real and imaginary, proved too daunting to the party, which insisted on transferring to a Sydney bound ship. Two days after she sailed the Governor Bligh reached the Bay of Islands to find it deserted. The venture was over before it had well begun. Lord blamed Leith for this profitless debacle, but in view of the Boyd's fate and the "justice" meted out by revengeful mariners, the party's reluctance to maroon itself in New Zealand is understandable.⁵⁶ Although the scheme was dead thanks to slowness of communication Lord Liverpool was writing in 1812 that the Lords of Committee of Trade thought Mr. Lord's venture deserved encouragement but doubted if a monopoly should be granted.⁵⁷

In 1814 Lord made another attempt to found a New Zealand flax industry, this time in association with Garnham Blaxcell, Richard Brooks,

56. C.S.I.L. 1810 pp. 266-273 N.S.W. Archives 4/1723; Robert McNab, From Tasman to Marsden, Dunedin 1914, p. 143.

57. H.R.A. I, vii, 485.

W. H. Hovell and E. S. Hall. (This was the joint stock company referred to on page 5 above). It was decided to charter Lord's brig Trial and the schooner Brothers to set up a depot at "Fort William" on the "south end of New Zealand" where it was hoped Maoris could eventually be trained to work the flax under company supervision. Macquarie commended the scheme to the home government but it is clear he had cooled toward this type of project for he informed Lord Bathurst that he thought the merchants' request for an exclusive privilege quite unreasonable. He had thought it reasonable enough in 1810.

In fact the memorial from the merchants involved did not seek a monopoly for a term of years but merely asked that any competitors should not be permitted to engage in the same pursuit without first having applied for permission to London through the Governor in the same way that they were doing.⁵⁸ The whole scheme in any event was as barren of result as the first. The memorial to the Governor had been written in October. In December 1814 Lord advertised to twenty-six men to go to New Zealand in the employ of the New South Wales New Zealand Company for a term not exceeding five years, with people with a knowledge of flax or hemp preferred. He also sought a blacksmith and a pair of sawyers.⁵⁹ The Brothers sailed 25 May 1815, and the Trial the following day.

58. H.R.A. I, viii, 561 and 583

59. Sydney Gazette 31 Dec 1814.

After a month at the Bay of Islands the two vessels sailed south in company, visiting an anchorage they named Trial Harbour and at which they were promised a supply of flax would be gathered by the natives against their return. After a voyage toward Cook Straits they returned to Trial Harbour where they found the natives as friendly as before, but no flax. They decided to leave that area but the day before they sailed both vessels were assaulted by the Maoris from canoes and for a time the natives gained control of both. Hovell managed to regain possession of his ship after four hours and with musket and swivel fire cleared the Brothers. Three sailors and a "Pomatoe native" were killed, and several were wounded including Captain Burnett of the Brothers. After this the New South Wales New Zealand Company's efforts seem to have ended as fruitlessly as those of its predecessor. The Trial set off for Tahiti under Burnett on a speculation for her owner, Simeon Lord. Hovell brought the Brothers back to Sydney with "a small quantity of dressed flax".⁶⁰

From this fruitless expedition three quaint documents have survived: agreements signed by Hovell and by Maori chiefs of the New Zealand coast. They all bear the legend "I the undersigned, a Chief at New Zealand, acknowledge to have received from Simeon Lord Esquire, One Musket and other Articles for which I engage to deliver the Bearer One Tun of New

60. McNab (Tasman) pp. 191-195.

Zealand Flax or Mooka on Demand." All three chiefs were inhabitants of areas near the Bay of Islands, and the agreements, on which they all made their characteristic and decorative marks, must have been made while the chastened expedition was at the Bay of Islands after its abortive southward expedition. On the reverse Novell wrote the dismal results of these proceedings thus on October 5: "I presented this document to the Chief at his Hut. He showed me some Flax which was not quite fit for shipment but which I afterwards learned did not belong to him". On October 7: "Presented by me but no result." And finally on October 10: "Presented by me - answer no Flax."⁶¹

One man at least seems to have successfully manufactured rope from New Zealand flax during our period. He was Robert Williams, a convict, who had invented a process by which New Zealand flax could be worked into rope. Williams seems to have been interested in working flax as early as Lord's first venture in 1810. In 1813 he had visited New Zealand in James Birnie's Perseverance but the expedition had not yielded much because of the cowardice and lack of enthusiasm of a Mr. Jones, Birnie's clerk who represented his master on the voyage. Williams was still only a ticket-of-leave man when the New South Wales New Zealand Company was formed in 1814 and it may be that Lord and Blaxcell, the original formers of the company, tried to extract Williams' assistance and his

61. Mitchell MSS Ah 24.

trade secrets from him for very inadequate compensation by promising to persuade the Governor to emancipate him. Williams, who had all the pride and obsessive determination of the inventor refused, for he was determined to be in charge of the factory in New Zealand or he would not give up his trade secrets. It is clear that Williams gained some satisfaction from the dismal lack of result of that venture:

"(Mr. Lord) and Mr. Blaxcell sent two Vessels to carry my intensions into effect and were Both taken by the Natives, Several lost their lives and the Expedition was Commenced on a Sistim laid down (by me) But the(y) differed in Opinion, took a different Plan to mine, and the Loss of time and Grate expense was the result of the Expedition." 62

Williams seems to have entered into engagements with Marsden, and established a rope walk at Sydney which fitted the brig Active out with cordage but whether Williams grew his own hemp, or had it supplied to him by the Active after its New Zealand voyages, is not clear from the evidence. Certainly Williams seems to have supplied rope to both James and Joseph Underwood, to Samuel Terry and to Marsden himself. He proved more adept at coping with recalcitrant flax than at coping with the traps and pitfalls set for the unwary by the confusion of the New South Wales currency system. In February 1821 Williams wrote Commissioner Bigge that financial embarrassment still dogged him but he promised to send on to London samples which would demonstrate the value of the processes.

A year earlier in fact Captain Skinner of the Dromedary had tested Williams rope, and reported to Bigge that it broke at a strain of five tons nineteen hundredweight compared with the four tons three hundredweight of equivalent English rope.⁶³ The rope was equally good when tarred and not prohibitively dear for naval purposes. Thus in spite of severe financial and other difficulties at least one New South Wales resident had succeeded in manufacturing rope from local raw material.

This achievement so impressed Commissioner Bigge that he devoted some fifty-three lines to Williams' ropemaking in his report on Trade and Manufactures, compared with a scant dozen lines to Lord's textile manufacturing. Bigge reported that the rope making had excited considerable interest in New South Wales, and that Williams had shown "infinite merit in the invention and application of the machinery" with which he had broken green leaves, dressed them and finally produced rope and twine. The plant had been introduced into New South Wales, but was not yet cultivated there. Williams had succeeded in manufacturing every species of cordage "save cable", and its superiority to Baltic hemp had been demonstrated both by experiments at Sydney and others held in the King's Yard, Deptford. Bigge had brought some samples to England and these, if salt water resistant, would prove suited to naval purposes. Bigge went

63. B.T. Box 21. For the currency difficulties see transcript in Hainsworth (Builders) pp. 57-58.

on to declare enthusiastically that:

"In its application to all other purposes ... naval or domestic the specimens produced amply attest the superiority of New Zealand flax, and with the means that he has discovered of breaking it in its green state it may be ranked as one of the most valuable productions that the soil of New South Wales is capable of producing."

Bigge admitted the supply of flax had so far been inconsiderable, and New South Wales production non-existent, so that only a limited amount of rope had been manufactured. Nevertheless the industry's development should be encouraged by cultivating the plant on government farms, while encouraging Williams' manufactory with orders for government vessels. Government should also offer to buy the secret of his technique.⁶⁴

Simeon Lord had for several years been promoting a variety of industrial enterprises calculated to take convicts off the hands of government, but these activities were unlikely to arouse great enthusiasm in Bigge for, the Commissioner pointed out, they represented competition to important British manufactures. In his commercial philosophy, so far as he had one, J. T. Bigge was firmly mercantilist. Nevertheless, commenting that "manufactures" in New South Wales were confined to hats, coarse cloths, blankets, woollen stockings, Bigge stated that the colony was:

"much indebted to ... the activity and enterprise of Mr. Lord, who has established a manufactory at Botany Bay, about six miles from Sydney,

64. Bigge (Agriculture) p. 52; Documents relating to Williams 1810-1821 in B.T. Boxes 13, 21, 27. For naval reports on the rope see Bigge Appendix Mitchell M/film C.L. 129 Reel 117 pp. 83-94. (An alternative source for the Williams papers is M/film C.O. 201/131 Reel 118).

where he employs a certain number of convicts and from fifteen to twenty colonial boys." 65

Lord told Governor Darling in 1826 that he had employed for the past twenty years an average of twenty convicts on various types of manufacturing enterprise, and although he may have exaggerated the number of years, the number of convicts taken off government's hands is probably correct enough. 66

Lord's hat making began in 1811, for in June that year he and Francis Williams petitioned the Governor for a monopoly patent in return for establishing a hat manufactory in the colony. Macquarie said he "approved highly" of the project but declined to grant an exclusive licence. 67 In July the same year, nothing daunted, Lord and Williams took into partnership their own employee Reuben Uther and signed an agreement that Uther should carry on a hat manufactory, a skill which he had "brought to perfection". The proceeds were to be split evenly three ways. Uther put up his skill, Lord and Williams the plant, factory space and other capital. 68

The parties' confidence in their new venture is revealed in an advertisement in the Sydney Gazette which not only promised ready-to-wear

65. Bigge (Agriculture) p. 51.

66. "Claims on Account of Cedar, etc." N.S.W. Archives 4/1099⁻².

67. C.S.L.B. 1811 p. 29 N.S.W.A. 4/3491.

68. R. of A. Vol. V No. 486 Mitchell MSS A3611.

hats in the near future, but also solicited orders for made to measure hats. Even more significant of Uther's technical abilities perhaps is an advertisement for three or four apprentices from whom a premium would be expected.⁶⁹ The original hat manufactory was at the Macquarie Street premises, which must have been a veritable rabbit warren considering the variety of projects they were called on to house. In 1815 Uther withdrew from the partnership, apparently quite amicably and carried on a manufactory of his own. Williams had already severed his association with Lord and departed to Tasmania, so Lord appointed his stepson John Black to manage the factory which was producing "ladies, gentlemen's and childrens fancy brown hats ... at the shortest notice." Lord cannot have expected the departure of Uther to seriously harm the concern for he advertised for apprentices again.⁷⁰ On February 1, 1820 Bigge received samples of Lord's hats which sold for from 10s to 25s. In July the same year Lord was paid £143 from the Police Fund for his hats, proof that the manufactory continued to flourish.⁷¹

In his other manufacturing enterprises Lord had at first two

69. Sydney Gazette 9 Aug 1811.

70. Four or five boys "of good morals" as seven year apprentices to learn hat making and cloth making. A premium would be required, and none under eleven years or more than thirteen would be accepted. Sydney Gazette 18 Mar 1815.

71. B.T. Box 26 pp. 6207ff Mitchell MSS; Sydney Gazette 29 Jul 1820.

associates: Francis Williams who was his regular partner in most undertakings until 1813, and a convict of varied skills called Thomas Hutchinson. The firm came into existence in June 1812, Williams withdrawing without consulting Hutchinson (who was very much the junior partner one imagines) in June or July 1813 and sailing to Hobart. There followed a quarrel between Lord and Hutchinson, in which Lord, who declared to two of his clerks that he was not going to suffer a repetition of the "Kable and Underwood" affair, accused Hutchinson of issuing promissory notes in the firm's name without consulting his partners. Hutchinson in response claimed this was necessary, and that Lord had withdrawn large sums from the firm to pay his own debts. Lord complained also that Hutchinson had professed skills he did not possess - an accusation which was probably true in the light of Governor Macquarie's strictures on Hutchinson.⁷²

In any event the short lived firm had set in motion a most impressive variety of manufacturing projects. In the Macquarie Place complex Lord had a granary (in which to store grain received in payment for goods), a blacksmith's shop with a foundry above it and a dye works. The firm proposed to produce pottery, glass and textiles. As early as May 1812 Lord was advertising for glassblowers and on June 20 the Sydney

72. Macquarie to Bathurst, H.R.A. I, viii, 211. Thomas Hutchinson should not be confused with William Hutchinson, the Superintendent of Convicts, as he is in Abbott and Nairn (Growth) p. 129.

Gazette announced:

"The manufacture of Colonial Glass has commenced, and we are happy to say promises soon to attain a degree of perfection that is surprising from a first effort in a remote colony ... the first essay in blowing took place a month since when after the formation of three or four half pint tumblers, the crucible ... sustained a fracture ... a second much improved was produced. The work of blowing has ... been resumed and upwards of a gross of perfect tumblers have been made, of a fine and clear flint glass, by no means inferior in appearance to any of the kind imported. This useful branch of Manufacture is conducted by a Mr. Hutchinson, under an engagement with the House of Lord and Williams."⁷³

It is doubtful if the glass making was as successful as the enthusiasm of Mr. Howe at the Printing Office might lead us to believe.

Certainly Lord's manufacturing fame is based less on hats or glass than on textiles, ironically enough, since it was for stealing textiles that he was transported. As a Yorkshireman he had seen as a youth the great leap forward in the textile industry. No doubt he had been impressed by the growing wealth of the millowners. However, it was not until he found himself frustrated in his efforts to purchase British manufactures for importation that he sought the bold solution of manufacturing the merchandise he wished to sell.

On 10 April 1813 the firm advertised for twenty apprentices, of whom twelve were required for weaving and spinning, two for dyeing and six for pottery. Lord promised that when he had twenty suitable boys

73. Sydney Gazette 20 Jun 1812.

he would open a Sunday School so that they could learn reading and writing.⁷⁴ It seems probable that cloth making got away to an early start, and it was certainly a part of Hutchinson's function in the firm to ride about the country buying wool.⁷⁵ On 12 August 1812 the partners at Macquarie's request submitted a formal proposal that they would scour, mill, rinse, dye and finish the cloth manufactured by the Government's Parramatta establishment to a form suitable for making slop clothing in return for two unfinished pieces for every finished piece returned. Alternatively they would return both pieces but receive a flat payment of 2s 6d a yard to finish them as a speculation. The Governor had no cloth to spare, and felt 2s 6d a yard too high a charge for finishing. He was prepared to pay 1s 9d.

It is doubtful if this counter offer was accepted.⁷⁶ It is certain that after the ending of the partnership in 1813, and in spite of financial difficulties involving other branches of his multifarious enterprises, Lord pushed the textile business ahead. In 1814 he was sending the Trial to Shoalhaven for timber to complete a house and factory at Botany Bay, Macquarie encouraging this development by allowing the timber

74. Sydney Gazette 20 Apr 1813.

75. Badgery v Lord, Williams and Hutchinson, Court of Civil Jurisdiction, Proceedings, Vol. 12 Case 360 N.S.W. Archives 1110.

76. C.S.I.L. 1812 p. 275 N.S.W. Archives 4/1727 and C.S.L.B. 1812 p. 128-129, 4/3491.

in duty free.⁷⁷ In October the following year he announced that he had with great difficulty and expense erected a fulling mill and that he was now able to supply coarse cloths, blankets and flannels of his own manufacture "the equal or superior" of any imported. At the same time he advertised for wool, offering to take wool in barter for his manufactures.⁷⁸

In July 1816 Lord was once more soliciting Government business. He told Macquarie he had closely examined the cloth produced at the Government's Parramatta factory and

"...with care it may be Burlled, Milled, Dried and Dressed, by which means the cloth will not only appear better but wear much longer than any of the slop clothing sent from England ... and answer the purpose equally well."

Again he offered to finish the cloth at a charge of 2s 6d a yard or 2s with two pounds of soap and ten pounds of copperas (for dyeing) for every hundred yards of finished cloth. He claimed to have spent £8,000 sterling in trying:

"... to bring to perfection the woollen manufacturing in this Colony, and I do assure Your Excellency, that it will yet require as much more with five years close application and Perseverance before it can be thoroughly effected."⁷⁹

77. C.S.L.B. 1814 p. 157, 4/3493.

78. Sydney Gazette, 21 Oct 1815.

79. He added bitterly: "Besides near £4,000 that has already been extravagantly sunk by persons Imposing on me, pretending they could manage and carry on the different branches of the Business." C.S.I.L. 1816 pp. 84-86 N.S.W. Archives 4/1735.

In an effort to make his offer more attractive he required no actual cash payment, simply a reduction in his debt to government for duties on coal, timber and sandalwood exported on the Boyd and thereby lost, and for an old store and some damaged stores. After these were liquidated he would be satisfied to be paid in kind from the Government Stores. He also suggested that in future the Parramatta factory manufacture double width which would cost no more to make, and which he would finish for 3s 6d a yard. The Governor again offered 1s 6d saying the the cloth was not worth 2s 6d a yard. The implication was that this offer of a twelve months contract was in order to encourage Lord's manufactory and test its efficiency.⁸⁰ Lord's estimates of manufacturing costs are interesting. At this time Lord calculated it required four workmen, apart from an overseer, to burl and mill 300 yards of cloth a week, which would cost £8 a week in wages. Milling itself would cost £7 10s per 300 yards. However the cloth had to be carried to Botany Bay and back, and together with gathering fuel for dye extraction and to boil the cloth, this involved two men, two horses and a cart at an expense of £8 currency a week. A further two men were needed to cut wood, stoke the furnaces and assist in dyeing - another £3 10s a week in wages. A further three men were required whose wages totalled £4 10s a week to

80. C.S.L.B. 1816 p. 41, 4/3495.

wash the cloth, hang it on "tenters" to dry it, and put it in and take it from the press. In all the wages involved in dressing and finishing 300 yards of cloth amounted to £31 10s currency a week.

To this of course must be added some thirty pounds of copperas, thirty pounds of soap, thirty pounds of alum and other drugs, not to mention depreciation of equipment. Lord used these calculations in an effort to show his offer of 2s 6d a yard was reasonable but although the wages are high compared with wages in England, it must not be forgotten that he did not pay in sterling but in currency so that in strict money terms this wage bill must be reduced by at least 25 per cent for conversion to sterling. Moreover Lord would probably pay his men in kind - and as a retailer and agent he naturally could do this very profitably from his own stock. In the event Lord finally accepted the Governor's terms.⁸¹

From then on it seems likely that government was a frequent client of the mill, and indeed by at least 1821 the government was buying Lord's own cloth, not merely having convict-produced cloth finished. Between 19 October and 13 December 1821 Lord sold government a total of 327 $\frac{3}{4}$ yards of drab and plaid woollen cloth for £245 16s 3d at a fixed price of fifteen shillings a yard.⁸² Lord supplied further evidence of the mill's

81. C.S.I.L. 1816 pp. 90ff N.S.W. Archives 4/1735 and C.S.L.B. 1816 p. 48, 113, 4/3495. How profitable the agreement would be to Lord it is impossible to say.

82. "Claims for Cedar, etc. 1822-1826", N.S.W. Archives 4/1099⁻².

activity to Commissioner Bigge who inspected hats, blankets, cloths, woollen stockings and leather.⁸³

All this textile enterprise was no doubt greatly helped by the number of weavers who had been transported to Australia in the post-war years as a result of the Luddite riots and other effects of the hard times in the north of England. Bigge himself commented on the number of weavers who had been transported and reported that Lord suffered competition from settlers who had had weavers assigned to them and who must have continued their hand-loom weaving in their new homes.⁸⁴

Lord's enterprise caught the imagination of late 19th century antiquarian-journalists in Sydney, who tended, however, to dismiss his projects as premature. Lord could be praised as a pioneer of Australian manufacturing, as a man of vision, but his efforts, they implied, were foredoomed to failure. This seems to be based on a misconception. Lord was, after all, not trying to "found Australian industry", or transform the infant colony into a manufacturing centre. Like all entrepreneurs he was seeking to make a living, to establish a fortune for his family and security for his dependents. Sealing and Sandalwood had failed, commission-selling for London, Calcutta or American merchants and the marginal profits of an auctioneering business were inadequate to

83. Lord claimed to employ men also in making harness, shoes and candles; for prices of these goods see B.T. Box 26 pp. 6107ff Mitchell MSS.

84. Bigge (Agriculture) p. 51.

his ambitions. He turned to manufacturing, and established a business which existed at his death some twenty years later, and from which one of his sons and his widow drew a part of their livelihood in the 1840s. We cannot say how profitable it was, but profitable it must have been for it survived.

In the mid fifties Mrs. Lord obtained compensation of more than £15,000 when the provision of increased water for an expanding Sydney swamped the factory's power sources. (Although she found it necessary to take her case to the House of Lords, there was no dispute that compensation was owed.) It seems clear then that in founding a textile business Simeon Lord embarked on no short-lived, premature and profitless venture.⁸⁵ Indeed, considering the difficulties of procuring skilled men to make the machinery, the high wages of the freemen employed, the cost of making machinery, and above all the constant competition of cheap textiles from England, Lord's Mill must be regarded as a very considerable achievement. An observer, Macle hose, wrote in 1839:

"There can be no question as to Mr. Lord's success - for upon examining a sample of the production of his looms, especially the blankets, they may properly be compared to those of the great mart so celebrated

85. Mrs. Lord received compensation of £4,860 for loss of land, £3,600 for loss of factory buildings and machinery on the land, and £7,200 for loss of water and loss of the use of machinery, the whole amounting to £15,660. The land was resumed in 1855 but Mrs. Lord's compensation was not settled until 1859, Report Sixth Interstate Harbour Conference, Fremantle, 1928, pp. 67-68.

in England for the article, and without bestowing too strong an eulogy on this gentleman's successful efforts, we should say that his estate, with its factories and reservoirs, and other works of art merits the appellation of the 'Witney of N.S. Wales'."86

For once Lord's entrepreneurial vision had not lured him into an over-ambitious and losing venture.

What conclusions can we draw from this brief account of the first primitive stirrings of manufactures in New South Wales? No matter how primitive these first enterprises were, nor how small their scale there can be no question that they played a vital part in transforming New South Wales from a prison farm to a colony. Bigge found a colony where he had expected to find a prison - and no aspect of colonial activity can have created a greater impression on his mind, favourable or unfavourable, than the presence of so many different manufacturing enterprises.

There was no possibility of course that Simeon Lord's mill would drive out British textiles, or that Robert Williams' ropewalk would effectively compete with British ropewalks at Deptford or any other naval yard. These enterprising men could not make the colony economically independent of Britain nor was any such large scale and absurd ambition in their minds. What they could do and did do was make it possible for a large and growing population of free men, whether emancipist or free

86. James Maclehole, The Picture of Sydney; and Strangers Guide in New South Wales for 1839.

settler to live in New South Wales. The tanneries, the salt works, the corn mills, the boat and shipyards all helped to provide a livelihood for the free inhabitant.

Walsh has stated that "quite often 'manufactories'" referred to in the Sydney Gazette "were one-man establishments, or perhaps at best consisted of a master and apprentice, and almost invariably lacked machinery of any kind".⁸⁷ While this would be a very correct description of a host of small enterprises in Sydney and other settlements, it is misleading in its broader implications. I believe it wrong to assume that the degree of industrial progress was small and the statement that the typical industrial achievement of the period was the wind mill appears to miss the point. Large scale industrial operations in this period, involving substantial capital investment and elaborate premises and employing large numbers of men were not typical. They were very exceptional. However, it is not the degree to which they were untypical which matters, it is the fact that such enterprises existed.

Large scale enterprises are by definition exceptional and their scale is indeed determined by what is considered typical or normal in the community in which they have been founded. In a primitive colonial society like the New South Wales of King, Bligh and Macquarie there could be few industries existing at any one time which employed many skilled men or

87. Walsh (Manufacturing) p. 264.

which embodied much capital. There were only so many skilled men to go round and there was little capital and many calls upon it. However, such industrial enterprises as did exist would exert an influence at the time and would provide valuable experience for the more spacious times which lay ahead. The frogs were small by English standards but the pool in which they splashed was tiny. Kable and Underwood's boatyard for example employed about 45 artisans, most of them regularly, from October 1807 to November 1808, and one can identify nearly the same number of labourers employed in the period January 1805 to March 1806.⁸⁸ James Wilshire's tannery must have employed at least a dozen hands, and probably more. (It had a workforce of between twenty and thirty in the 1820s and was treating 15,000 hides a year in 1830.)⁸⁹ Simeon Lord claimed to employ about sixty convicts (presumably part-time) in the Macquarie period in his various manufacturing activities, although his permanent labour force seems to have been about twenty.⁹⁰ We do not know how many men were employed in Robert Williams' rope works or Reuben Uther's hat works, but they were certainly not businesses which could be run by "a man and a lad."

It is impossible to be in any way precise about the number of men

88. See Kable's accounts, footnote 24 above.

89. Australian Dictionary of Biography, Vol II p. 609.

90. *Op. cit.* p. 130 and footnote 79 above.

employed in industry in our period, but Professor Shaw has established some suggestive proportions which at least hint at what might have been available. Skilled artisans were always in demand in our period, and those who were transported found no difficulty in finding employment for their skills. Yet of the 2,418 "mechanics" who arrived between 1814 and 1820 the government only took into its employ 1,587 and it only kept such artisans for short periods of time. (In 1820 only 517, less than a third of that total, were still in government employ.) The 1814 muster also shows that of the male colonists who were neither landholders nor labourers, about a third were involved in the building trade, a tenth were in timber working, leaving rather more than half for other occupations. Of these others about a twentieth were in occupations connected with ships and boats.⁹¹

The home government had never faced the problem of how to create a society which would satisfactorily absorb those who were convicts and those who would cease to be convicts. Peasant farming may have been considered - the fact is it would not work. A society composed of subsistence farmers would be an impoverished and feeble settlement, a constant charge on the home government, a source of weakness not of strength to the Empire. As the sheep-rearers like Macarthur, Marsden

91. C.f. A.G.L. Shaw on "Labour" in Abbott and Nairn (Growth) pp. 112-113.

and the Rileys were groping their way toward one solution of the staple problem so Lord and Wilshire, Uther and Dixon, Cooper and Levy, Williams and Blaxland were groping their way to another - and it was a complementary solution.

The activities of the entrepreneurs have been described in some detail in order to demonstrate that they were doing more than simply lay a foundation for the future. The making of salt made possible the pork trade with the Islands; the manufacture of leather helped promote the breeding and keeping of cattle; the building of ships encouraged the timber trade, found congenial and profitable work for craftsmen and made possible the sealing and sandalwood voyages. It also made possible the Hawkesbury-Sydney traffic which transformed Hawkesbury settlers from subsistence farmers to commercial farmers; made possible also the Parramatta River traffic which helped bring prosperity to the second settlement.

The government needed mills to grind the colony's grain: enterprise supplied them. The more convicts were transported the more food the government needed to feed them: enterprise grew it, transported it, ground it, processed it, baked it and butchered it. And when at certain times this was not enough enterprise once more stepped forward, and privately-built vessels went to Tahiti for pork, and later to Van Diemen's Land for surplus grain and meat. The government wisely held coal

extraction in its own hands, but it was enterprise which supplied the vessels to move that coal from Newcastle to Sydney. Alternative food supplies, alternative employment, alternative manufactured goods, transport, all these were contributed by the first industrial pioneers of Sydney to the task of transforming New South Wales and Van Diemen's Land from prison farms into colonies. In doing so they set up sign posts which those who came later followed more profitably.

Chapter Twelve: The Contractors.

The decayed and dilapidated state of all the public Buildings ... and the State of the public roads and Bridges ... claimed my early attention; but the resources then under my controul were very inadequate ... I was, therefore, under the necessity of getting some of these works by contracting with private individuals. The first public roads and Bridges ... and also the Colonial General Hospital, and a few other public Buildings, were of this description.¹

Lachlan Macquarie 1822.

This investigation of the activities of the Sydney entrepreneurs is almost complete. In the preceding chapters we have seen the seeds of commerce sprouting vigorous shoots, the spread of settlement made more practicable by the operating of coasters and river boats, the determined harvesting of sealing grounds as distant as Macquarie Island, the vigorous and sometimes successful exploitation of the Pacific frontier, the pioneering attempts to establish trade links with China, India, South Africa and Mauritius, and the foundation of colonial manufacturing, processing and shipbuilding industries. One important alternative enterprise to commerce remains to be described: contracting for the Government. If this was not the most important way in which the Sydney entrepreneurs transformed their environment, it was certainly the most conspicuous and indeed the most direct way. Of course, public buildings,

¹. Macquarie to Bathurst, 10 Dec 1822, H.R.A. I, x, 674.

roads and bridges, wharves and other utilities, were frequently constructed by government using the labour of the convicts in its charge. There were times, however, when the Governor's resources in manpower - and especially in technical skill - were inadequate to meet the demands of particular projects, and there were other tasks which government was unable to perform without the help of private individuals.

The part played by Robert Campbell in stocking the colony with cattle and horses shipped on contract from India is an example of the latter. There is no need to describe these large operations in any detail for Campbell's biographer has done this already.² Suffice to say that in the King period Campbell imported:

... upwards of two thousand Cows; the origin of those numerous herds from which our Colonists and troops and Convicts are at present supplied with excellent meat at a cheaper rate than they could possibly be in any other Colony belonging to the Crown.³

That this claim was not extravagant is suggested by W. C. Wentworth's statement at the close of the Macquarie period that "the price of all manner of stock is almost incredibly moderate" considering the brief life of the colony and showed in tabular form the dramatic increase in the colony's

2. Steven (Campbell) Chapter 3 passim.

3. Dispatches of the N.S.W. Governor, Enclosures, 1830-1, pp. 1050-1052, Mitchell MSS A1267¹².

livestock between 1800 and December 1817:

<u>Stock in 1800</u>		Dec. 1813	Nov. 1817
Horses, mares	163	1,891	3,072
Horned cattle	1,024	21,513	44,753
Sheep	6,124	65,121	170,420 ⁴

Not only cattle were imported but a variety of foodstuffs, especially grain and sugar, and spirits. We have seen in Chapter Four above how Simeon Lord and Francis Williams, among others, contracted to supply the Government both at Sydney and at Hobart with these commodities. Local entrepreneurs were frequently called on for help in moving men and supplies from one settlement to another in their larger vessels, and although the Government had its own dockyard to maintain its flotilla of small craft, entrepreneurs from time to time contracted to supply vessels for that flotilla, either from their own resources or from India. For example in 1810 Macquarie agreed that Simeon Lord and a temporary associate, J. Campbell Burton, an Indian resident visiting Sydney, should supply him with a vessel bought or built in India. Later Francis Williams replaced Burton and the contract was increased to two schooners, both of about 100 tons, to be built in India to certain specifications. The scheme fell through though it is not clear why it was abandoned.⁵

-
4. W.C. Wentworth, Statistical, Historical and Political Description of New South Wales (2nd Edn.), London 1820, pp. 134-166.
5. C.S.I.L. 1810, pp. 258-259, 276-277, 280, N.S.W. Archives 4/1723; C.S.L.B. 1810, pp. 153, 4/3490⁻¹. For a typical and informative correspondence on a transportation charter, c.f. Lord to Macquarie 19 Jan 1810, Letters to Macquarie, pp. 32-33, 39-40 Mitchell MSS A1932.

Messrs. Peat and Smith, builders of the cutter Sally in August 1820 tendered her to Macquarie for £750 who counter-offered £600, probably successfully. Similarly Thomas Street tendered his schooner Sindbad, then four years old, to government, for £800 but the offer was rejected.⁶

It is primarily the work of the entrepreneurs in the field of public works, and especially roads and bridges, that I wish to describe here, for their contribution has been much neglected. The role of government in constructing public works has recently been analysed at length, and the forces pushing Governor Macquarie into an extensive, and much criticised, program of public works have also been closely examined.⁷ Abbott shows that the governors up to Macquarie carried out very few public works. Governor Hunter made the first tentative gesture towards establishing a colonial revenue, and this was formalised by King who established the Gaol Fund and the Orphan Fund. The latter was financed by the fees paid "on the Entry and Registering of Ships" and was devoted to the Sydney Female Orphan School apart from the salary paid to the master of the public charity school at the settlement later named Windsor. The Gaol Fund was financed by duties on spirits and other goods imported into the colony. This larger revenue was to be spent on finishing the

6. For these and similar contracts c.f. C.S.I.L. 1821 p. 6 4/1749; pp. 32, 42, 69, 223, 4/1730.

7. For the governors as a whole, to 1821, see G.J. Abbott, "Government Works and Services" in Abbott and Nairn (Growth) Chapter 16 *passim*; for MacQuarie, T.G. Parsons, "Governor Macquarie and the Economic Crisis in New South Wales 1810-1815", New Zealand Journal of History, Vol. 2 No. 2 Oct 1968, pp. 190 ff.

Sydney gaol and building a second at Parramatta, paying the gaolers' salaries, building the Tank Stream bridge, repairs to roads and public works, improvements to Fort Phillip, and other miscellaneous purposes. The list seems formidable but the practical achievement was less impressive. King was too devoted to economy to invest in public works although the gaols were built and a private contractor built the Tank Stream bridge. Under Bligh the church at Sydney was completed but this was an isolated achievement. During the Interregnum Lieut.-Colonel Foveaux accomplished more in the provision of badly needed public buildings than had his two predecessors combined. Foveaux built a new military barracks at Sydney, a granary at Parramatta and began an extensive range of stone warehouses on the shore of Sydney Cove, displaying an initiative and energy that was admired by Macquarie.⁸

It is with Lachlan Macquarie, however, that public works were launched on a large scale. During the first years of his governorship Macquarie was short of skilled labour and therefore largely relied on the efforts of private individuals on government's behalf, paying them either in spirits or drafts on the Gaol Fund (now called Police Fund) or in both.

8. Abbott, op. cit. p. 313. Foveaux told Macquarie he had found "the Public Buildings of every description in a State of Shameful delapidation ... The streets ... were almost impassable and the principal roads and Bridges were, if possible, in a still more dangerous and neglected State." After describing the improvements he had wrought Foveaux admitted that "a vast field still remains open to Your Excellency for the improvement of the Colony...", H.R.A. I vii, 233.

In the second half of his administration the substantial influx of convicts from England, including tradesmen as well as labourers, made it possible for the Governor to carry out public works from public resources.⁹ It is, therefore, with the earlier years that this chapter is primarily concerned.

The public works of the Macquarie period are best divided into two parts: firstly, buildings and miscellaneous constructions and secondly, roads and bridges. A good example of the first would be the new Sydney wharf which John Manning, a Sydney carpenter, agreed to build in June 1812. The wharf was to be fifty feet long, thirty-five wide, and to have a crane and windlass on each side capable of raising one and a half tons. The wharf was to be completed in six months, Manning having the use of the "Government punt", and such blocks and tackles, as he needed for the task, while being allowed to buy up to a ton of bar iron from the Store. In return he was to be paid £500 sterling - £200 in advance, £150 when the piles had been erected and the remaining £150 when the work was completed. (The final payment was made on 16 March 1813.)¹⁰

Other miscellaneous public works in 1812 included repairs to the streets of Sydney and Parramatta for which a contractor named Alcock was paid £227 6s 6d; building a market place at Parramatta for which Francis Oakes was paid £139 7s 2d; repairs to St John's, Parramatta - £110 to

9. Cf. Macquarie to Bathurst, 22 Jul 1822, H.R.A. I, x, 674.

10. C.S.I.L. 1812 pp. 233 ff N.S.W. Archives 4/1727.

James Harrax, and repairs to the Windsor Court House, including a new verandah, for which William Cox, the former Paymaster of the N.S.W. Corps, was paid £51 6s Od.¹¹ Most contracts other than for roads, or for supplies, were let to stonemasons or carpenters, One of the most frequently employed was Thomas Boulton, a Sydney stone mason. In 1810 he contracted to build a stone wall 8' x 950', coped with worked stone, and a "dwarf wall" round the Government Domain, 2' x 467' for a total of £693 5s 8d which at his request was to be paid in spirits, 460 gallons at 30s a gallon. In fact he executed an additional minor contract and received 493 gallons paid out in lots of varying size during the building of the walls. In 1811 and 1812 he carried out three further contracts of which details do not survive and was paid £1,555 8s 3d in spirits at 25s a gallon, while later in 1812 he contracted to build a 7' x 980' wall around the grounds of Government House, Parramatta, for which he received a further £780 in spirits. In 1816 he was paid £242 18s 6d from the Police Fund for further walls and fences around newly erected Sydney government buildings.¹²

A carpenter who left his imprint on Sydney in the same period was John Mould who in 1812 made twenty-two windows for the new Light Horse Barracks for twenty gallons of spirits, and laid all the floors and

11. Sydney Gazette, 30 Jan 1813

12. For Boulton's contracts see C.S.I.L. 1811 pp. 94-105, 1812, pp. 286ff, 1816 p. 123, respectively N.S.W. Archives 4/1725, 1727, 1736.

fitted up the harness rooms (from materials supplied by government), for £21 paid in spirits at 30s a gallon. Between October 1811 and March 1812 he was also paid £61.15s Od for putting up 827 feet of "pallisading" around the Sydney Domain.¹³ Another tradesman patronised by Macquarie was Thomas Legge who agreed in 1810 to build five watch houses "the Demenches of twenty feet long By Fourteen feet wide ... for the Consideration of One Hundred & Fifty Six Pounds fifteen Shilling In Money or Somoney Gallans of Spirrits." In fact the £156 15s Od paid only for the brickwork - with carpenters' work and some materials the Watchhouses cost the government £400. The carpenter, who was Nathaniel Lucas, divided off the two cells, put in a "Ruff Boarded Floor" and put on a shingled roof.¹⁴ In 1817 Nathaniel Lucas contracted to build the Liverpool Church and tower for £1,570, but died leaving the task unfinished and the contract was taken on by a Sydney builder named James Smith on the same terms, but with the right to import a cargo of Port Stephen cedar duty free.¹⁵

Not all contractors were tradesmen. One of the oddest contractors was the Deputy Judge Advocate Ellis Bent who appears to have undertaken to build his own house and offices on behalf of government. The ar-

13. C.S.I.L. 1811 p. 167, 1812 pp. 326, 328, 4/1725, 1727.

14. C.S.I.L. 1811 pp. 169-173 N.S.W. Archives 4/1725. The builder, Legge, also built the toll house at the Sydney end of the Parramatta road for £89 4s Od. See Hainsworth (Builders) p. 151.

15. C.S.I.L. 1818 pp. 278 ff, 4/1740.

rangement was a curious one. Bent was moved to embark on the project because lack of artificers in government employ meant the project would otherwise have been long delayed, but it is difficult to see why the Governor could not have let the contract himself. Bent claimed that he had not sought to profit from the project, and when he found that thanks to the sharp practice of his sub-contractor, Bolger, the costs were mounting above the estimates, he felt the Governor should intervene to save him from loss. Macquarie agreed and allowed him 200 gallons of rum and £550 cash. Bent seems to have been originally allowed 1,000 gallons of rum and £300 in treasury bills so that the total cost of the buildings was £850 sterling and 1,200 gallons of rum - together with a bad fright for Mr. Bent who had feared he would have to finish the project at his own expense.¹⁶

The biggest public building erected in the period covered by this work was the General Hospital which was really three buildings. The scale of the project was such that the buildings were able to house a court and various government offices, and quarters for the medical staff as well as the wards of the hospital. The two smaller flanking buildings have happily survived, one much modified and added to, houses the parliament of New South Wales, the other is the Mint building. The hospital, as stated in Chapter Three, was built by Alexander Riley,

16. C.S.I.L. 1812 pp. 242-251 4/1727.

Garnham Blaxcell and Darcy Wentworth in return for an exclusive monopoly of importing spirits - 45,000 gallons over three years. The contract was signed in November 1810 and before the foundations had been dug the contractors may have had second thoughts about the desirability of their situation.¹⁷ The colony was in the depths of the Macquarie depression, the market was well stocked, at times overstocked with spirits, while the "monopoly", though exclusive enough to arouse the envy and malice and resentment of the community, was not exclusive enough to guarantee them the profits they had expected. Meanwhile at the urging of the enthusiastic Governor the buildings became increasingly elaborate and expensive in their design, and the modern reader can trace in their letters to the Governor the despair and disillusionment of the contractors - who were constantly accused of making fortunes at the expense of their fellow men! In 1812, as a consequence of their complaints, the Governor increased the privilege to 55,000 gallons over four years and finally to 60,000 gallons. The contractors did not become rich - the project probably contributed to Blaxcell's downfall - and the remainder of the business community were often hampered in their already difficult task of maintaining solvency in an acute depression, but Sydney got its hospital. For many years it was to be one of the

17. "...You will see We have laid the first Stone of the Hospital. Would it were the last." Alexander to Edward Riley, 26 Nov 1811, "Letters from Sydney" p. 8, Mitchell MSS S.1/50.

most dominant features of the town.¹⁸

After the completion of the hospital there was a marked diminution in the number of buildings or other projects let out to private contractors, for the Governor had a substantial workforce on his hands. However, it was not unknown for the Governor to call on the entrepreneurs for assistance. In February 1820 John Howe and his partner James Magrath were paid £350 for "filling in Thompson's Square, Erecting a Sewer and laying Drains", probably at Windsor where the same month Howe was paid £280 for building a wharf to replace one swept away in the floods of 1817.¹⁹

It was in the provision of roads and bridges in the Macquarie period that the entrepreneurs made their chief contribution to colonial development. Macquarie himself felt deeply committed to a program of public roads to link the outer settlements and believed, no doubt quite rightly, that they would have a very beneficial effect on the colony's economic development. Looking back in 1816 he wrote:

Shortly after my arrival in this Country, finding its progress towards Comfort and Wealth much impeded by the want of good Roads to lead to the Farms and Settlements in the interior, and that the Cultivators and Graziers were thereby much discouraged ... I early determined on the construction of good roads.²⁰

18. See also Chapter Three above, and B.T. Series I, Box 13, Mitchell Library, and for contract H.R.A. I, vii, 401.

19. C.S.I.L. 1820, N.S.W. Archives 4/1746.

20. Macquarie to Bathurst, 20 Feb 1816, H.R.A. I, ix, 4.

Macquarie's enthusiasm was not shared by the then colonial Secretary, Lord Liverpool who wrote Macquarie in July 1811 that if the colony's traffic had increased to the point that roads and bridges were needed then it would be well to build them

... but these improvements will be the offspring rather than the cause of internal prosperity, and I trust that mere speculation of improvement will not induce you to incur any unnecessary expense.²¹

Before this letter could have reached him Macquarie was reporting that a turnpike road to the Hawkesbury (Windsor) had been completed as far as Parramatta in April 1811, the inhabitants of Parramatta and the surrounding country having been almost completely cut off from Sydney by the impassable state of the old road. The further section to Windsor was now well in hand and would be complete by March 1812. Once finished Macquarie intended to build a road from Sydney to Liverpool, a distance of twenty miles. The road building had been financed from the Police Fund but Macquarie preferred to regard this as a loan since tolls would be charged on the new roads.

In 1812 Lord Liverpool demonstrated once more his desire for economy: If the expence of erecting Quays, Wharfs and Bridges, and of making Streets and Roads cannot be born by the Free Settlers and by those who are to receive the immediate Benefits from these Improvements, it may be presumed that the Colony is not yet in a State sufficiently advanced to render the Construction of such works necessary.²²

21. H.R.A. I, vii, 366.

22. Macquarie to Liverpool 18 Oct 1811, H.R.A. I, vii, 387; Liverpool to Macquarie 5 May 1812, op. cit., 481.

This seems to say "dont buy hens - wait for eggs to appear and hatch hens from them! Unimpressed, Macquarie defended his policy in November 1812. The traffic of the colony had increased. Sydney had now a population of more than 5,000. Although there were "many opulent Settlers" the bulk of the people were poor and unable to sustain financial burdens, and the public could not support the cost of building roads through "this wide, Extended Colony" for some years to come. They had, therefore, a right to expect that "at least a part" of the Colonial revenue, "particularly that part ... collected on the very spirits which they drink such Quantities of" should be spent on bridges, roads, and other improvements. Tolls would in any event help to defray their expense.²³

Meanwhile the murder of Spenser Perceval raised Liverpool to the prime ministership and Lord Bathurst entered on his long and fruitful stewardship at the Colonial Office. Bathurst agreed with Liverpool that in view of the enormous expense to the British taxpayer of maintaining New South Wales - from £70,000 to £100,000 a year - the inhabitants could not expect the Colonial revenue to be spent in Colonial improvements, and that such improvements "should be rather the Consequence than the Cause of internal Prosperity." If the colonists could not pay for

23. Macquarie to Liverpool, 17 Nov 1812, H.R.A. I, vii, 604-605.

them they could not need them. This odd view, however, did not inhibit Bathurst from giving Macquarie his head on the grounds that the tolls would meet the cost in the end, an optimistic view but it was perhaps more a face-saving loophole, for he must have realised that no matter what decision he made the distant governor was going to have his roads.²⁴ During Macquarie's governorship about 276 miles of road were built in the colony, together with a very large number of bridges, and including the 101 mile route across the Blue Mountains to Bathurst.²⁵

This then was the official background to the road building of the Macquarie period. What part was played by the entrepreneurs in this? In King's time the Tank Stream bridge had been built by a tradesman called Pettman and financed by public subscription. The bridge was inadequately constructed and gave trouble to successive governors until in September 1810 John O'Hearne contracted to "entirely take [it] down and rebuild" five feet wider and with a higher arch for 660 gallons of spirits, the final instalment being paid in March 1812.²⁶ The first contractor for the Windsor road was James Harrex of Parramatta who in May 1810 contracted to build the road from "Cheers' corner" in Sydney to the toll bridge at the Hawkesbury for £2,500. The road was to be made of stone,

24. H.R.A. I, viii, 132.

25. See return to November 1821, H.R.A. I, x, 696-697.

26. C.S.I.L. 1811 pp. 146-148, N.S.W. Archives 4/1726; 1812 p. 373, 4/1727.

covered with gravel, two rods wide with a three foot ditch on either side. Harrex was to maintain the road in repair for seven years from completion. He was allowed twenty convicts fed by the Store, three bullock teams, carts and carriages, and was to be allowed to land 2,000 gallons of spirits at his own expense, and had the right to borrow rum from the Store so that he could get the project under way. During the seven year maintenance he was to receive £300 per annum paid in bi-monthly instalments from the toll house receipts.²⁷

How far Harrex progressed with the road is not clear but certainly he left the task unfinished and the seven years' maintenance seems to have been a dead letter for in July 1813 Wentworth and Lord contracted with Howe and Magrath to complete the road by March 1814 for \$600 and 400 gallons of rum in four equal instalments. The new contractors were to have the same "Men and Bullocks heretofore furnished ... to the late Contractors".²⁸ In October 1814 a man called Thomas Bates, who lived by the Parramatta Road and who had been earlier rewarded from the Police Fund for saving three bridges from a bush fire, was awarded a contract to keep the Sydney-Parramatta section in good repair. He wanted four men "victualled", certain tools a cart and bullocks and £100 a year to

27. See contract negotiated by Simeon Lord, Darcy Wentworth and Andrew Thompson as members of the Turnpike Trust, C.S.I.L. 1810 Nos. 1-99 N.S.W. Archives 4/1725.

28. C.S.I.L. 1813 pp. 147-150, 4/1728. Howe was described as "dealer" of Windsor, and Magrath as a "labourer".

which Macquarie agreed.²⁹ In 1815 one Robert Lock contracted similarly to maintain the Parramatta-Windsor section of the road for 100 gallons of rum a year in quarterly instalments, with four victualled men and sundry tools, bullocks etc.³⁰ One of the most unusual entrepreneurs of the Macquarie period was a private in the 73rd Regiment, William Simms who contracted in 1813 to build a road to Botany Bay from "Mr Palmer's south boundary line on the South Head Road." Simms, who must have been an exceptionally enterprising soldier, was to receive £50 in two instalments from a fund raised by public subscription. Begun in March 1813 it was completed by September the same year.³¹

Of all the entrepreneurs who carried out Macquarie's road building visions probably the most remarkable was William Roberts. An ex-convict too illiterate even to sign his name on the contracts he negotiated with the governor, his origins are lost in the obscurity which so often shrouds the emancipist entrepreneur. Why he should have picked road building as his sphere of enterprise for the last years of his life is as unknown as the reasons for his success in pursuing it. In December 1812 he was paid twenty-five gallons of spirits in full payment for

29. Bates' eloquent if artless submission to Macquarie is at C.S.I.L. 1814 pp. 399-400, 4/1730 and is reproduced in Hainsworth (Builders) pp. 152-153.

30. C.S.I.L. 1815 p. 84 4/1732.

31. C.S.I.L. 1813 pp. 31 ff 4/1728.

making and repairing three Sydney streets.³² Four months later Roberts asked for the opportunity to carry out what was then Macquarie's most ambitious project - the Liverpool road.³³ He proposed to build the road for a price of £140 a mile, and wished to receive 400 gallons of rum at 25s a gallon in part payment. The distance involved he calculated as "From where I set off through the Woods to Liverpool I reckon $11\frac{1}{2}$ or 12 miles and 5 miles to the Turnpike at Sydney", or about seventeen miles in all. The road would be thirty three feet wide, with "three rods" felled on either side. He would also build the bridges, one of which would be 140 feet across and would need five stone piers, fourteen feet high, twenty feet "long" and seven feet deep with 3,500 feet of plank. Another would be 100 feet across with ten feet high wooden piers and would consume 2,500 feet of plank, besides other materials. "The bridge at the back of Canterbury" he observed "will be about 70 feet across" and there would be several other smaller bridges. He sought a further 400 gallons of spirits for the completion of the bridges, and the loan of a timber carriage and a yoke of bullocks. The road he guaranteed would be "in a perfect state after" twelve months and the bridges after five years.

32. C.S.I.L. 1812 p. 293, 4/1727.

33. As a general rule the government does not seem to have called for tenders for such undertakings, and then selected the most favourable. The only applications to carry out such contracts which are in the records are the successful ones, which suggests that they were the only tenders, and that there was little or no competition for such contracts.

Macquarie accepted these proposals with some changes. The road was to begin at a point on the Parramatta road which would make the distance from that point to Liverpool twelve miles and Roberts was to get £130 a mile for twelve miles and no more. The progress of the work can be traced by the successive payments in spirits from the Store and draughts on the Police Fund from June 1813 to April 1815. Roberts was supposed to carry out the project in one year. In fact he took at least twenty months. The contract was varied later and additional payments conceded because of further bridges needed for the project and whereas Roberts contracted to receive £1,560 including 400 gallons of rum at 25s a gallon, he in fact received £1,500 in cash and £1,000 in spirits at 25s a gallon, i.e. 800 gallons. In addition he received a further £300 for "Moore's Bridge" on the Liverpool Road in April 1815, making £2,800 in cash and spirits for the whole project.³⁴

The Liverpool Road complete Roberts moved on to other projects: he built the road which connected Windsor to Liverpool, and the twenty-two mile road which connected Liverpool to the Cataract River (District of Appin) by way of Airds. He also built seven bridges on the road connecting Windsor and Richmond, and twenty-eight bridges on the Airds, Wints, Bringelly and new Cowpasture Roads, and other bridges in the Seven Hills

34. C.S.I.L. 1813 pp. 48-54, 4/1728; 1814, p. 278-283, 4/1730; 1820 p. 349, 4/1744; See also B.T. Bigge Appendix Box 13 601-607, 842-843.

and Toongabbee areas. At his death in 1820 he was still at work on the Windsor-Richmond Road and his task was completed by his widow, Jane Roberts, who inherited his contract. Between August 1813 and January 1819 he received £8,000 in cash and at least £1,000 in spirits and after his death his widow received a balance of at least £1,388 10s 4½d. So that Roberts grossed nearly £10,400 over a period of seven years from road and bridge contracts.³⁵

In conclusion, as in so many aspects of colony building in the first forty years of settlement, the entrepreneurs had played a decisive role. As they had helped to tie together the scattered settlements in the King period by boat building and the coast and river traffic in the King-Bligh period, so in the Macquarie period, in addition to a variety of public works, they helped to tie together the settled districts of New South Wales and thereby promoted their economic unity and prosperity.³⁶ It may be argued that as many or more miles of road were built directly by government, for example the Blue Mountain road, as were built by Roberts

35. C.S.I.L. 1818 p. 291, 4/1740, pp. 133-139, 289 4/1741; C.S.I.L. 1820 pp. 207, 342, 344-349, 355, 358, 4/1744.

36. The road from the Nepean River to the Bathurst Plains, begun in 1814, was the most dramatic piece of road building in the Macquarie period. However, although its supervision was entrusted to William Cox, the former Paymaster of the New South Wales Corps, the road was built with government labour (convicts) supervised by soldiers and government capital. It can hardly be considered an example of entrepreneurial road building. For Cox's instructions see edited version at Hainsworth (Builders) pp. 153-155.

and the others. This does not detract from the usefulness of the roads they built. When the entrepreneurs were needed, as they were in the first half of the Macquarie era particularly, the entrepreneurs were there and readily came forward, mobilising skill, men and capital for the colony's benefit. The relative proportions are immaterial. The fact that men like Roberts existed shows that the prison is becoming a colony and also explains how and why such a transformation occurred.

EPILOGUE: A PRISON TRANSFORMED.

Epilogue: A Prison Transformed.

It could scarcely have been conceived by the first founders that in transplanting a few incorrigible criminals into the wild woods of Australia, sixteen thousand miles distant from their native homes, the seeds of the might empire should have been sown, which even at this day far exceeds, in rapidity of progress towards riches and power, any founded on the American continent

It is the old resident, he who still calls Sydney with its population of 12,000 bustling inhabitants the camp, that can appreciate these things: he who still recollects the few earth-huts and solitary tents scattered through the forest brush surrounding Sydney Cove...now transmuted into a flourishing and populous city; such is the man fully enabled to appreciate the alterations which time and industry have wrought among us...

Peter Cunningham, 1826

Peter Cunningham, who published an account of the New South Wales colony in 1826, first sailed into Sydney Cove in 1819. A surgeon on a transport he was to visit Sydney three more times before the publication of his book. From the first he was an enthusiast for the colony. Whatever he had expected to see when his ship moved up Sydney Harbour the reality obviously exceeded the expectation. By 1826, when he was moved to share his wonderment with the British public, he could write:

Where, thirtyeight years ago, not a human hut was to be counted, nor the slightest hum of commerce heard, we have now a city occupying a square mile crowded with industrious citizens, and teeming with vehicles wheeling along the varied productions of the soil...the town containing twentytwo agents for the management of shipping affairs, eleven auctioneers...; a chamber of commerce...; two flourishing banks...; and three newspapers...¹

1. For quotations see Peter Cunningham, Two Years in New South Wales, Ed. by D.S. Macmillan, Sydney, 1966, pp. 213-214.

It has been the purpose of this work to show, not simply how this transformation occurred, but what part the private citizens of Sydney played in this transformation, and more especially, what part was played by the entrepreneurs. The home government must always have known that some sort of free community would emerge on the shores of Botany Bay. Not all nor even a majority of transportees were sentenced to serve for the term of their natural lives. There would naturally be a community of free men, steadily increasing in numbers, from the first years of the settlement.

Moreover permission was early given for such free men as marines, soldiers, officers and officials to remain as settlers when their tour of duty was over or they chose to resign the service. Finally the government not only permitted poor free men to go to Botany as settlers, it encouraged men of capital and enterprise to go there by offering substantial land grants. In this way the original project for a distant prison contained within itself a colonial seed, and the subsequent policies of the home government made sure that seed would germinate.

All this should not disguise from us that the way in which Whitehall officials executed the policies determined by their political masters was better calculated to strangle the colony at birth than rear it to lusty infancy. The attitudes and actions of Whitehall were characterised by apathy, parsimony, ignorance and bungling ineptitude. The wrong convicts were sent in the First Fleet, too many convicts and too few supplies were sent in later fleets, inadequate or unsuitable men were sent as

governors - Hunter and Bligh, for example - and inadequate or unqualified men were sent as officers and administrators.² It is perhaps a symptom of the apathy or lethargy of Whitehall that King, Bligh and Macquarie were issued with instructions which did not differ significantly from those issued to Hunter in 1794, which were not very much changed from those issued to Phillip in 1787.³

In 1819 the home government felt obliged to send a Commissioner of Enquiry to Sydney to investigate the colony and explore means of restoring to transportation its former deterrent effect. When Bigge arrived he found a "flourishing settlement" which "was rapidly becoming a colony rather than remaining a gaol, though in Mr. Bigge's eyes this development was less to be commended than deplored".⁴ Bigge's attitude reflected the attitude of his superiors. If they acknowledged that a colony would one day emerge from the gaol the gaol was still paramount in their thinking in 1819 or Bigge's instructions would surely have been

2. In the vital decade 1800-1810 the Deputy Judge Advocate, Atkins, was an alcoholic without legal knowledge, and Bligh had to seek legal advice from an ex-convict who had been guilty of fraud since his arrival in New South Wales. Atkins' incapacity can be judged from his sentencing men to death while drunk - and his admission in Court seven years after his appointment that Simeon Lord owned the only up-to-date copy of Blackstone in the colony! H.R.A. I, vi, 306.
3. For the "Asian contact" and shipbuilding clause see Chapter Seven above, also H.R.A. I, i, 9, 520; iii, 391; vi, 8; vii, 190.
4. A.G.L. Shaw, *The Story of Australia*, London, p. 58.

differently worded.⁵ Thus when the historian seeks to know who was responsible for the rapid transformation from penal settlement to the bustling colony first seen by J. T. Bigge and Peter Cunningham in 1819 he must seek elsewhere than Whitehall.

Other writers have sought to examine the part played by the local governors; for example, Dr. Evatt on Bligh, Mr Ellis in his large study of Macquarie and Dr Michael Roe in his unpublished thesis on King's governorship. As I stated in the introduction, this work seeks to explore the role of the entrepreneur, the private trader. The policies of the governors have not been ignored, for they formed part of the milieu in which the traders operated. Moreover so many of the developments which helped to build the colony can be seen as a dialogue between governors and traders. Sometimes that interchange was harmonious and fruitful, as with shipbuilding and sealing in King's time, or the roadbuilding and textile manufacturing of Macquarie's governorship. Sometimes the traders were thwarted by the governor, as Lord's attempts to establish direct trade with China and Mauritius were largely prevented by King and Bligh.

Sometimes the traders lost a struggle with the governors, sometimes they won, as with Lord's ventures into clandestine ship-owning, or the

5. "Not having been established with any view to Territorial or Commercial Advantages, [the N.S.W. Settlements] must chiefly be considered as Receptacles for Offenders", Bathurst to Bigge 6 Jan 1819, H.R.A. I, x, 4.

occasional thwarting of King's spirit trade regulations, and most spectacular if not necessarily the most significant, the overthrow of Bligh in 1808. Whether in amity or hostility, in co-operation or frustration, the dialogue was continuous, and overall, it was fruitful and constructive.

What of the entrepreneurs themselves? What can we learn about the early history of New South Wales from studying their activities? One factor of great significance: the entrepreneurs were a diverse and numerous body. An entrepreneurial historian, writing of the early United States, said that it was "a nation of 'projectors'" not a "mere handful of enlightened families or officials or banks ... a population swarming with actual or potential centres of initiative, able and motivated to respond, and ... even to over-respond to the stimuli of the market and of expanding opportunity."⁶ If this describes the United States in the age of Jefferson, it also describes the settlement of New South Wales, in its smaller way, in the days of King and Macquarie.

This means that from the beginning the new country was a land of opportunity. "You may depend upon it" wrote a mid eighteenth century observer of the American scene, "this is one of the best poor Men's Countrys in the World".⁷ Had he explored New South Wales at the time

6. John E. Sawyer, quoted in Stuart Bruchey, The Roots of American Economic Growth 1607-1861, London, 1965, p. 203.

7. *Op. cit.* p. 65.

that Commissioner Bigge was making his investigations he would have reached a similar conclusion. However, there was nothing singular in a country as richly endowed by nature as were the English colonies in North America proving a land of opportunity for men whose only capital was industry and entrepreneurial ingenuity. New South Wales, a penal settlement set down on poor soil in a wilderness six months sail from Britain, was much less likely to provide a suitable milieu for the poor but talented. The triumphs over natural and man-made obstacles, over the tyranny of distance allied with the tyranny of corporate privilege, over the frustrations of policies suited to a prison but not to a colonial community, over the perils of glut and scarcity, and the hazards of a currency system more appropriate to Bedlam than a burgeoning economy, these are the triumphs which make the saga of these entrepreneurs as astonishing as it is enthralling.

Yet some historians seem to have missed the point. One historian has written, accurately enough: "A small handful of ex-convicts became very wealthy...These were rare exceptions."⁸ Surely men who become very wealthy are always rare exceptions? Ex-convicts who become very wealthy are rarer still. The point is not that Simeon Lord was exceptional. The point is that he existed. I said in the Introduction that one must beware the temptation to replace the myth of the New South Wales Corps

8. Douglas Pike, Australia, the Quiet Continent, Cambridge, 1966, pp. 50-51.

with the myth of Simeon Lord. He stands out for a variety of reasons and his wealth is one of them, but he would be no less important if he had died bankrupt. It is not what he earned but what he did that makes him significant and the same significance attaches to a host of other entrepreneurs who never built a mansion grander than their governor's residence. Henry Kable, James Underwood, Thomas Abbott, Mary Reiby, William Roberts, Robert Williams, James Larra, the brothers Jenkins, Jonathan Griffiths, Andrew Thompson, Solomon Levy, Samuel Terry, Daniel Cooper, William Redfern, Edward and Sarah Wills, all entrepreneurs in their differing degrees, all forming part of an honour roll of names which were once dishonoured.

For men like Macarthur, Blaxcell, the brothers Riley, Robert Campbell, Robert Jenkins, William Walker the path was easier, but in colony building their part was no less important. Together both groups were a force which built on the rickety and primitive commercial foundation left by the "monopolists" of the 90s an elaborate and sophisticated commercial, maritime and industrial society. Capital and labour were mobilised to provide and process food, import goods from Britain, the United States, South Africa, India and China. By building coasters and river boats, and later roads and bridges, subsistence farmers were transformed into commercial farmers; they sought at sea and in the Pacific Islands the staples their hostile environment denied them; some, defeated in this enterprise, seeking an alternative to haphazard and expensive importation,

turned their capital and ingenuity to manufacturing.

In brief, since there was no carefully thought through scheme of colonisation in the minds of Whitehall officialdom, or within the governors' authority to devise and implement, the colony might have emerged mis-shapen or still-born from its dismal beginnings. Instead it grew rapidly and durably and by the time Macquarie retired, despite a large number of difficulties and set-backs in the decades ahead, the destiny of the colony was certain, the fate of the prison was sealed.

List of Appendices.

A	Paymaster's Bills 1792-1800,	page 361
B	Landholdings of the N.S.W. Corps and civilian officials, 1800,	365
C	Movements of five ships frequently referred to,	367
D	<u>City of Edinburgh</u> and <u>Harrington</u> sales,	371
E	Sydney shipping interest 1803-1821	
	(1) The vessels and their owners,	375
	(2) The owners and their partners and associates,	380
F	Henry Kable's Shipping Account 1805-1808,	382.

APPENDIX APAYMASTER'S BILLS 1792-1800

Date	To whom made out	Amount
1792		
Apr 2	Capt. Manning (<u>Pitt</u>)	1,440. 0. 0
Oct 10/22	Capt. Raven (<u>Britannia</u>) 14 bills	1,922. 0. 0
Nov 7	Capt. Bond (<u>Royal Admiral</u>)	1,100. 0. 0
" "	Mr. Harriman	116. 0. 0
Dec 4	Capt. Patrickson (<u>Philadelphia</u>)	500. 0. 0
" "	William Dixon	67. 0. 0
" 10	Richard Bowen, Esq.	230. 0. 0
" "	Armstrong	120. 0. 0
" "	Thompson	<u>50. 0. 0</u>
(Total for 1792)		£5,545. 0. 0
1793		
Feb 12	Executors Capt. Henry Bond	260. 0. 0
" 16	Capt. Boyd (<u>Bellona</u>)	270. 0. 0
Apr 6/13	Capt. M. W. Bampton (<u>Shah Homozear</u>) 6 bills	490. 0. 0
" 14	John Palmer	120. 0. 0
May 28	Thos. Thompson	50. 0. 0
" 30	John Palmer	650. 0. 0
" "	Executors Capt. Henry Bond	110. 0. 0

May 30	James Macarthur		50. 0. 0
Sep 3	Capt. Wm. Raven (<u>Britannia</u>)	3 bills	1,955. 0. 0
Oct 12	Augustus Beyer		200. 0. 0
" "	Executors Capt. Henry Bond		<u>80. 0. 0</u>
	(Total for 1793)		£4,235. 0. 0

1794

Mar 26	Capt. H. Barber (<u>Arthur</u>)		840. 0. 0
Apr 30	Capt. Wm. Folger (<u>William</u>)		709. 0. 0
Jul 9	Messrs Page & Magee (<u>Halcyon</u>)		680. 0. 0
" 18	Capt. Richard Lower		1,230. 0. 0
Aug 22/24	Capt. Wm. Raven (<u>Britannia</u>)		2,850. 0. 0
" 24	Executors of Capt. Henry Bond		203.12. 0
" "	James Macarthur		103. 0. 0
" 25	Capt. Wm. Raven (<u>Britannia</u>)		413. 0. 0
Dec 14	John White, Esq. (Surgeon departing the colony)		140. 0. 0
" "	Edward Leing, Esq.		60. 0. 0
" "	Patrick Campbell (<u>Surprise</u>)		<u>100. 0. 0</u>
	(Total for 1794)		£7,328.12. 0

1795

Oct 21	Isaac Coffin, Esq.		<u>130. 0. 0</u>
	(Total for 1795)		£ 130. 0. 0

1796

Mar 3	Capt. H. Barber (<u>Arthur</u>)		1,100. 0. 0
May 4/14	Capt. Ed. McLellan (<u>Experiment</u>)	7 bills	3,780. 0. 0
" 14	Capt. Michael Hogan (<u>Marquis Cornwallis</u>)	2 bills	860. 0. 0
Aug 25	Sgt. Stroud		50. 0. 0

Sep 16	Rowley		50. 0. 0
" 17	Rowley		50. 0. 0
" 18	Ed. Abbott		650. 0. 0
" "	Capt. Michael Hogan (<u>Marquis Cornwallis</u>)		1,000. 0. 0
Oct 1	Wm. F. Magee (<u>Halcyon</u>)		<u>834. 0. 0</u>
	(Total for 1796)		£8,374. 0. 0

1797

Sep 15	R. Braithwaite		200. 0. 0
" "	" "		250. 0. 0
" 17	Lieut. W. Kent (<u>H.M.S. Supply</u>)		250. 0. 0
" 27	H. Waterhouse, Esq.		30. 0. 0
	Letter of credit to Paterson		60. 8. 4
	Ditto Harris to Thompson		50. 0. 0
Nov 20	D. Paine		<u>28. 0. 0</u>
	(Total for 1797)		£ 868. 8. 4

1798

Aug 2/6	T. Patrickson, Esq. (<u>Ganges</u>)	4 bills of £500	2,000. 0. 0
" 3	"		254. 0. 0
" "	Messrs. Lambert, Ross & Co.		20. 0. 0
Sep 4	Mr. Chas. Grimes		150. 0. 0
" 1	Robert Campbell (<u>Hunter</u>)	6 bills	7,050. 0. 0
" 7	Buyers & Turnbull (<u>Britannia</u>)	2 bills	1,354. 0. 0
" 10	Augustus Beyer		3,700. 0. 0
" 7	Buyers & Turnbull		102. 0. 0

Sep 7	Capt. Cameron (<u>Barwell</u>)		271. 0. 0
" "	Augustus Beyer		<u>850. 0. 0</u>
	(Total for 1798)		£15,751. 0. 0
1799-1800			
Nov 28	Wm. Raven		1,250. 0. 0
" "	J. Harris		1,000. 0. 0
Dec 22	J. Suard, Esq. (Capt. <u>Swallow</u>)	4 bills	1,000. 0. 0
" 23	"	4 bills	1,000. 0. 0
" 24	"	5 bills	1,582. 0. 0
	Augustus Beyer		1,000. 0. 0
	Capt. Salkeld (<u>Minerva</u>)		1,000. 0. 0
	" "		1,161.15. 4
	Aaron Davis		<u>90. 0. 0</u>
	(Total for 1799-1800 so far as records extend)		<u>£9,083.15. 4</u>
Grand total of paymaster's bills for the years 1792 to January 1800			<u>£51,315.15. 8¹</u>

¹ The table is derived from a list of Paymaster's bills and their recipients 1792-1798 in Macarthur Papers, Mitchell Library MSS A2903 No. 1 and notes on recipients of bills during 1799 and January 1800 (Salkeld) in loc. cit. Vol. 102A, A2998.

APPENDIX BLand holdings of Officers of the New South Wales Corps and Civilian Officials 1800

Name	Acres granted	Acres from settlers (30 acre grants)	Acres from soldiers (25 acre grants)	Acres acquired from brother officers and sources unknown	Total acres held.
Capt. Ed. Abbott	700				700
Richard Atkins	246				246
Thos. Arndell	230		100		330
Wm. Balmain	975	30	145		1,150
Wm. Broughton	100				100
Wm. Baker	30	30			60
Wm. Cox		30		610	640
Wm. Cummings	145				145
Nicholas Divine	210				210
Richard Dore	100				100
Joseph Foveaux	300			870	1,170
Chas. Grimes			25	495	520
Thos. Hobby	100		150	100	350
John Harris	110	30	50	125	315
John Jamieson	100				100
A.F. Kemp		30			30
Wm. Kent, R.N.	431			90	521
Thos. Laycock	360		225	20	605
Saml. Marsden	200		50	80	330
Thos. Moore	470	60			530
John Macarthur	200	120	850	590	1,760
John Piper	106		25	4	135
Wm. Paterson	100				100
J.J. Prentice	100				100
John Palmer	170		25	670	865
Thos. Smyth	660	30			690
John Thompson	100	60			160
Jas. Williamson	84	180	150	20	434
D. Wentworth	140			50	190
Totals	6,467	600	1,795	3,724	12,586

The table is based on the Settlers' Muster Book 1800, Mitchell MSS Safe 1/104.

The figures show that of the 12,586 acres held by these 29 officers and officials 6,467 had been granted to them, or 51%. A further 3,724 acres, or 29%, were purchased from brother officers or from settlers who sold land holdings

larger than the customary 30 acre or 25 acre grants. A further 1,795 were bought in 25 acre lots from soldiers, 14%, while only 600 of the acres held at the time of the 1800 muster (about 6%) were acquired in the form of 30 acre grants - a mere twenty farms, and not all of these were acquired from their original grantees.

APPENDIX C

Movements of five ships frequently referred to in the text.¹

Commerce

Brig, 225 tons, 10 guns, 22 men, Captain John Wilkinson, owned by Collins & Co, built Newfoundland, registered London, arrived October 1805 from a sealing expedition to King George's Sound. Bought by Simeon Lord for Lord, Kable & Underwood. Wilkinson replaced as captain by James Birnie (ex-captain Ship Star, which see below). Commerce was dispatched to London with skins and oil via Antipodes Island with Francis Williams as super-cargo. Time expired gangs at the island insisted that Commerce return them to Sydney which she did in April 1807. Birnie and Lord quarrelled and became involved in lawsuits, Birnie later absconding from the colony on ~~the ship~~ ^{a ship} on board which he was smuggled in a barrel by Robert Campbell. The cargo of the Commerce was transhipped to the Sydney Cove (which see below). The Commerce then made another sealing voyage, returning in July 1808. In September, re-named Bon (or Bom or Boum) Cidadao she was sent to Macao via Fiji for sale to a Portugese citizen along with a cargo of sandalwood. (The original Bon Cidadao was a Portugese brig which arrived in Sydney in distress in July 1808. Bought by Simeon Lord and re-named Trial, she was piratically seized by escaping convicts who perished when she went ashore at Trial Bay on the north coast of New South Wales in 1816.)

1. For references see earlier chapters, especially Three, Seven, Nine and Ten, and Cumpston (Shipping) passim.

Elizabeth

Brig, 102 tons, 18 men, bought by John Macarthur and Garnham Blaxcell, was one of the Spanish prizes piratically seized by William Campbell in 1804-5 (see Harrington entry below). Left for Tahiti in March 1807, returning November with pork. In February 1807 left for Fiji via Tahiti, returning October 1808 with 120 tons sandalwood, having missed her rendezvous with Harrington at Fiji (see Chapters Four and Ten). In December she sailed for China with her sandalwood and was there sold.

Harrington

Brig (or Snow), 180 tons, 6 guns, 39 to 40 men, Captain William Campbell, owned by Chace, Chinnery & Co of Madras, built and registered at Calcutta in 1796, arrived Sydney June 1801 from Madras via Calcutta with mixed cargo. Sailed on a sealing expedition Bass Straits in September and went to Norfolk Island in December. Sailed on a second sealing expedition in 1802, and then left for coast of South America in October. Returned April 1803 with prize goods and then sailed to Madras via Norfolk Island in June. Returned from Madras January 1804 with mixed cargo, and in May left on privateering expedition to coast of South America. Returned in March 1805 with prize goods and two prizes and was detained in port on grounds England not at war with Spain and capture of prizes were, therefore, acts of piracy. Charges against Campbell were later dropped on instructions of Whitehall, but his brig was detained all through 1806. Meanwhile war broke out with Spain and British navy promptly seized the two prizes which had remained at Sydney awaiting instructions from home. (One of them was

sold to John Macarthur and re-named Elizabeth, see above.) In January 1808 the Harrington sailed for Fiji via Tahiti, and then to Canton with sandalwood returning with a mixed cargo in March 1808 (see Chapters Four and Ten). In May 1808 she was piratically seized by convict Robert Stewart and about forty companions and carried off. In 1809 she was forced ashore and destroyed near Manila by H.M.S. Dedaigneuse. The Harrington was reputed to be the fastest vessel in the eastern seas.

Star

Ship (sometimes described as brig or snow), 119 tons, 6 guns, 16 - 20 men, Captain James Birnie, owned by Alexander Birnie & Co of London, arrived February 1806. Lord bought her for Lord, Kable & Underwood and sent her sealing. She returned from Antipodes Island and New Zealand June 1806. Wilkinson (ex-Commerce, which see) was now made her captain and took her on a second sealing expedition from which he returned in December. In March she sailed for England with 20,000 skins, returning in October 1808 with a mixed cargo consigned to Lord & Co. Plummers were her nominal owners for Lord had mortgaged her to them so that her return with a cargo for him should not be prevented. When Wilkinson disapproved of Lord's instructions, acting for the owners he insisted on controlling the vessel and although Lord tried to regain control of her through the courts, he failed.

Sydney Cove

Ship, 282 tons, 8 guns, 22 men, convict transport owned by Lord, Kable & Underwood, but nominally owned by Plummer & Co who bought her on

Lord's behalf on mortgage to themselves. Arrived Sydney June 1808, left for London October 1808 with skins, oil and timber consigned by Lord to Plummers (see Chapter Nine). She returned in April 1809, now owned by James Underwood (who travelled to London and back as super-cargo-owner) and Henry Kable, and carrying a valuable mixed cargo consigned to Kable and Underwood. Later that year she returned to London via the sealing grounds and on arrival in England became the property of Kable and Underwood's London creditors.

APPENDIX D

CITY OF EDINBURGH AND HARRINGTON SALES

The Purchasers from the Cargoes of the City of Edinburgh and the Harrington. The listed customers all bought a total of £50 worth or more of merchandise from one or both investments. Christian names in brackets are supplied by the author and a query indicates that it is conjectural. The sums spent omit shillings and pence.

<u>Customer</u>	<u>City of Edinburgh</u>	<u>Harrington</u>	<u>Total</u>	<u>Comment</u>
[Thomas] Abbott	£ 620		£ 620	Emancipist trader
Richard Atkins	63	£ 79	142	
Aiken	99		99	
Garnham Blaxcell	82	288	370	Merchant, shipowner.
Nicholas Bayly		118	118	Ex-N.S.W. Corps.
Lieut. Bell	39	66	105	N.S.W. Corps (arrived 1807).
" Beasley	83		83	
Thomas Brown	53	96	149	
Blake	60	94	154	
[Ebor] Bunker	39	44	83	Master mariner
Berry	78		78	
Sgt. Bradley	42	170	212	N.S.W. Corps ?
John Blaxland	275	133	408	Trader-grazier.
Lieut. [John] Brabyn	57	118	175	N.S.W. Corps.
William Baker	4	104	108	Ex-petty official, Sydney dealer.
Wm. & Rchd. Blackmore		762	762	Dealers
Thomas Biggers		145	145	Campbell agent at Hawkesbury.
Lydia Barber		102	102	
Cpl. [James] Chisholm	65	49	114	N.S.W. Corps - dealer.
Campbell	21	77	98	
John Collis	49	137	186	
Cox	76		76	
Sgt. Champion	56	113	169	N.S.W. Corps ?

<u>Customer</u>	<u>City of Edinburgh</u>	<u>Harrington</u>	<u>Total</u>	<u>Comment</u>
Chitham	£ 10	£ 270	£ 280	
Sgt. [Richard?] Cheers		96	96	N.S.W. Corps - later butcher ?
Crook		112	112	
Mrs. [George] Crossley		63	63	Wife to emancipist entrepreneur.
[William?] Cummins		122	122	
Doolan	135		135	
[George?] Dowling	188		188	
Mrs. [Elizabeth] Driver	250	567	817	Emancipist dealer.
Ellison		92	92	
Richard Everingham		67	67	
Field	31	591	622	
[Robert] Fitz	111	182	293	Super. of Agriculture.
[Richard] Fitzgerald	102	534	636	Factor to John Macarthur.
[Samuel?] Foster	46	8	54	
[James John] Grant	457		457	
Graham	63		63	
[Jonathan?] Griffiths	50		50	Emancipist boatbuilder?
Mrs. Hodges	41	95	136	
John Harris	115	33	148	Surgeon.
Brig. Harrington	54		54	
[Thomas] Hobby	724	70	794	
James Hardwick		159	159	
Sgt. Higgins		66	66	N.S.W. Corps. ?
John Hynes		61	61	
Sgt. Hobbs		88	88	N.S.W. Corps. ?
Hayes		66	66	
Catherine Johnson		50	50	
Sgt. Johnson		151	151	N.S.W. Corps. ?
Mrs. James		55	55	
Sgt. Johns		55	55	N.S.W. Corps. ?
John Jones		69	69	Emancipist boatowner.
Wm. Jones		93	93	
Surgeon Jamison		220	220	Official
King	65		65	

<u>Customer</u>	<u>City of Edinburgh</u>	<u>Harrington</u>	<u>Total</u>	<u>Comment</u>
Capt. A.F. Kemp	£ 177	£ 324	£ 501	N.S.W. Corps.
[Henry] Kable	258	200	458	Emancipist entrepreneur.
Lawson	264	171	435	N.S.W. Corps.
Thos. Laycock	415	309	724	N.S.W. Corps - Q/Master.
Simeon Lord	1,235	226	1,461	Emancipist entrepreneur.
[John William] Lewin		459	459	Artist and publican.
Capt. Lewis		56	56	N.S.W. Corps. ?
Lane		122	122	
Locke	60		60	
Landron	66		66	
Sgt. Longford		99	99	N.S.W. Corps. ?
Lieut. [Wm.] Moore	121	147	268	N.S.W. Corps.
John Macarthur	234	581	815	Grazier, merchant, shipowner.
Mrs. Morris	200	62	262	
W.H. Mansell	59	164	223	Trader - formerly clerk to Simeon Lord.
[D.D.] Mann	86		86	
[Rosetta] Marsh	133		133	Emancipist dealer.
Lt. [Wm.] Minchin	60	274	334	N.S.W. Corps.
[James?] Meehan		62	62	Official
Mitcham	61		61	
[Joseph] Morley	58		58	Emancipist boatowner.
[Jesse] Mulcock	68	17	85	Emancipist dealer.
Elizabeth Mack		83	83	
Cpl. Marlborough		102	102	N.S.W. Corps.
John Murray		100	100	
Issac Nicholls	14	203	217	Emancipist merchant.
Mrs. Newsham		94	94	
Sgt. & Mrs. Packer		209	209	N.S.W. Corps - dealer.
John Perkins		59	59	
Quinn	68	6	74	
[John] Redmond	152	24	176	Emancipist dealer, boatowner.
Thomas Rose	12	189	201	
Rushton	75		75	

<u>Customer</u>	<u>City of Edinburgh</u>	<u>Harrington</u>	<u>Total</u>	<u>Comment</u>
Robinson	£ 90		90	
Riley	44	£ 39	83	
John Reddington	23	69	92	
Wm. Shelly	46	67	113	Ex-missionary associate of John Macarthur
Skinner	54	29	83	
[Robert] Sidaway	57	55	112	Baker.
Mr. J.J. Sutton	68	9	77	
Sherwin	50		50	
Sloane	89	23	112	
Capt. Stewart	51	5	56	Master mariner.
James Squires	108	6	114	Emancipist brewer.
Simmonds	66		66	
John Stephenson		124	124	
Andrew Thompson	589	408	997	Emancipist merchant, shipowner.
Charles Tompson		434	434	Clerk to John Palmer.
Dr. Townson	90		90	
Mr. [Chas.] Throsby	29	175	204	
Samuel Terry	3	48	51	The future emancipist merchant.
Samuel Thorley	148	245	393	Emancipist dealer, boatowner.
Mrs. Trotter		68	68	
Joseph Underwood	19	115	134	Entrepreneur.
Vandecombe	66		66	(Vandinum) baker.
John White	109	34	143	
Sgt. Major Whittle	73	40	113	N.S.W. Corps.
Darcy Wentworth	137	65	202	Surgeon - entrepreneur.
Ward	75		75	
Mr. [James] Williamson	79	41	120	Ex-official and trader.
[James] Wilshire	31	97	128	Ex-official, tanner.
Mrs. [Sarah] Wills	265	281	546	Emancipist dealer.
John Wild		124	124	
Abraham Whitaker		54	54	

APPENDIX E - PART 1

The Sydney Shipping Interest 1803 - 1821: The Vessels and their Owners.

Colonial vessels operating from Sydney between 1803 and 1821 in a rough chronological order. Abbreviations: Sl: sloop, C: cutter, Sc: schooner, Sh: ship, B: brig. Where rig is not given the likeliest rig is cutter or sloop at least for the smaller tonnages. Tonnages should be treated with caution. They often fluctuate from document to document, and the sources do not state by what formulae they were arrived at. The year gives ^{mat}in which the vessel is first referred to. An 'M' means maiden voyage. In Employment, H: Hawkesbury; N: Newcastle; F: Fisheries; BS: Bass Straits; NZ: New Zealand; NI: Norfolk Island; P: Pacific Islands; VDL: Van Diemen's Land; MI: Macquarie Island; PM: Port Macquarie; CGH: Cape of Good Hope; Sh: Shoalhaven River; PS: Port Stephens; Ch: China; Ind: India. In the remarks column a W means wrecked. Dates indicate the life of the vessel.

Year	Vessel	Rig	Tons	Owner	Employment	Remarks
1803	<u>Raven</u>		14	Thos. Reiby	H,N,F	1800-1806
"	<u>James</u>	Sl	14	" "	H,N	1800-1804W
"	<u>Good Intent</u>			S.R. Chace	F	c. 1803-1804
"	<u>Edwin</u>	Sc	30			
"			? 16	J. Palmer	F,H,N	1802-1816W
"	<u>John</u> (1)			"	N	W in May 1803
" M	<u>John</u> (2)		31	"	BS	1803-1807W
"	<u>George</u>	Sl	28	"	N,F	? -1805W
"	<u>Union</u>	Sl	12	1)J. Cavenaugh (1804) 2)J. Jones (1805)	H,N	? -1805
"	<u>William and Mary</u>		12	Wm. Miller	H,N	1800- ?
"	<u>Argument</u>		6	1)J.Ward 2)B.Peat (1806)	H,N	1800-1809
"	<u>Endeavour</u> (1)	Sc	31	Kable & Underwood	VDL,F,NZ,Sh	1801-1813W at Sh.
"	<u>Surprise</u> (Ex-Diana)		24	" "	N,F	c.1800-1805W
"	<u>Sophia Maria</u>			W. Dargon	H	? -1803W
"	<u>Hope</u> (1)		16	A. Thompson	H,N	1802-1807
"	<u>Hope</u> (2)			D. Smallwood	H,N	?-1803W
" M	<u>Governor King</u>	Sc	75	Kable & Underwood	N,F,NI	1803-1806
" M	<u>Nancy</u> (1)	Sl	20	A. Thompson	F,N	1803-1805
" M	<u>Charlotte</u>	Sl	16	Robt. Inch	H,N	1803-1808W
" M	<u>Marcia</u>	Sc	26	Simeon Lord	H,N,F,PI	1803-1809
1804M	<u>Trimmer</u>		20	G. Hibbs & E. Smith	H	1804-1805W
"	<u>Sophia</u>	Sh	240	R. Campbell & Co.	VDL, F	1804-1806 formerly <u>Swift</u> prize
"	<u>Improvement</u> (1)		10	I. Jones & E. Smith	H,N	1804-1807
"	<u>Hawkesbury</u>		18	A. Thompson	H,N,PI	1804-1807
"	<u>Relief</u>				H	1804-1805W
"	<u>Speedy</u>		17	Jonathan Griffiths	H,N	1804- ? build Hawkesbury
"	<u>Speedwell</u>			John Grono	H,N,F,NZ	1804-1814
				P. Shannon & D. McLease 1807	Sh	pirated by convicts.
				Elizabeth Mulhall sold to W. Johnson 1812.		

Year	Vessel	Rig	Tons	Owner	Employment	Remarks
1804M	<u>Fly (1)</u>	Sl	18	J. Palmer	F,H,Sh,NI	Built for sale by Brian Egan 1804-1808.
" M	<u>Contest</u>	Sl	44	Kable & Underwood	H,F,NI,NZ	1804-1807W.
1805	<u>Ann</u>	C			Sh	Dep. Sh. 1805. No other references.
" M	<u>Venus</u>	Sl	20	John Macarthur	H,N,F,NI,PI	1805-1810 W at Tahiti. After refit tonnage increased to 70.
"	<u>Richmond</u>		18	Joseph Morley and William Watkins	H,N	1805-1806.
"	<u>Venus</u>	B	45	R. Campbell & Co.	VDL,BS,NZ	Arr. from Calcutta 1805
" M	<u>Governor Hunter</u>	Sc	35	Isaac Nicholls	N,VDL,BS	Pirated by convicts 1806.
" M	<u>King George</u>	Sh	186	Kable & Underwood	NZ,VDL,PI,MI	1805-1816W. Later owned Joseph Underwood. A hulk in 1822.
" M	<u>Margaret</u>		7	Thos. Gilberthorpe	H	1805-1806.
1806M	<u>Happy Return</u>	Sl	14		H	One voyage 1806.
"	<u>Elizabeth (1)</u>	B	160	J. Macarthur, G. Blaxcell	PI	1807-1809. Sold Canton.
1807M	<u>Governor Bligh</u>	Sc	100	Andrew Thompson	F,NZ,MI	1807-1821. Hulk 1822.
" M	<u>Mercury</u>	Sc	53	Thos. Reiby & Ed. Wills	N,NI,PI	1807-1813W.
" M	<u>Antipode</u>	Sc	58	J. Blaxland & Messrs. Hulletts	H,F ?	1807-1810. Blaxland's share bought by S. Lord.
"	<u>Parramatta</u>	Sc		J. Macarthur, G. Blaxcell	PI	1807-1809W.
" M	<u>Perseverance</u>	B	136	R. Campbell & Co.	VDL,NZ,PI,MI, Ch.	1807 - at least 1824.
1808M	<u>Halcyon</u>	Sc	c.40	Macarthur, Blaxcell, W. Shelly	PI	1807-1809. Built Tahiti by W. Shelly.
"	<u>Charming Sally</u>	Sl		John Redmond	H,N	1808-1812W
" M	<u>Unity</u>	C	36	John Webb & J. Benn	VDL,NZ,F	1808-1813 owned W.H. Mansell
1808	<u>Trial</u>	Sc	80	S. Lord	NZ,F,PI,N,Sh	1813 when pirated by convicts.
"	<u>Hazard</u>	B		S. Thorley & Jonathan Griffiths	H	Ex-Bon Ciudadao Pirated & W 1816
" M	<u>Endeavour (2)</u>	B Sc	58	Isaac Nicholls	F,VDL,NZ,PI,N	1807-1825. Built N.I. 1808 by Dr. Redfern and associates. Re-rigged twice.
1809	<u>Improvement (2)</u>			W. Jenkins 1809	N	1809-1818
"	[Anonymous vessel]			G. Crossley Daniel McLeese	H	W near Broken Bay with cargo of lime 1809.
"	<u>Eliza</u>			Joseph Underwood	H,VDL,BS	1809-1811W.
" M	<u>Brothers</u>	Sc	40	Wm. & Jas. Jenkins	F,NZ,VDL,N	1809-1816W.
"	<u>Northumberland</u>	Sc		G. Blaxcell	H,N,VDL,BS,PI	1809-1811.
1810	<u>Experiment</u>				H	W 1810 off PS.
"	<u>New Zealand</u>			Elder	NZ	Only one reference. No other information.

Year	Vessel	Rig	Tons	Owner	Employment	Remarks
1810	<u>Cyclops</u>	B	90	G. Blaxcell	VDL,PI	Arr. from Calcutta 1810.
"	<u>Betsy</u>	Sl	15	Jonathan Griffiths	H	1810-1815, 1818-1822 when owned by Andrew Byrne. May be two <u>Betsys</u> .
" M	<u>Elizabeth & Mary</u>	Sc ?	80	S. Thorley & J. Griffiths	BS,NZ,MI	Owned Joseph Underwood 1818 1818-1825 at least.
"	<u>Maryanne</u>	Sc	42	Geo. Dawling	H,N,PS,PM	1810-1824 Solomon Wiseman owned 1818, Thos. Marshall 1821.
"	<u>Whale</u>	Sl	14	James Webb	H,N,Sh	1810-1816W (when owned by Chas. Walker).
"	<u>Mary and Sally</u>	B	130	Edward Wills	Sh,VDL, MI,F	Arr. 6 Oct 1810 from Calcutta.
"	<u>Recovery</u>	Sl	14	R. Campbell (1813) P. Hibbs (1814-1816)	H,PS	1810-1816W.
"	<u>Chance</u>	Sc	11	G. Blaxcell	H	1810-1814.
" M	<u>Geordy</u>	Sc	14	Wm. Gaudry & H. Kable, Jr.	H,VDL,Sh	1810-1815
" M	<u>Boyd /General Boyd</u>		18	R. Campbell & Co.	N,NI,NZ,H	<u>Boyd's</u> long boat 'raised' 1810-1812W.
"	<u>Young Halcyon</u>				H	One voyage to Sydney recorded.
1811	<u>Revenge</u>	Sl	14	Geo. Dowling	H	1811-1814.
"	<u>Union</u>	Sl	12	Thos. Johnson	H	1811-1819.
"	<u>Hawkesbury Packet</u>	Sl	21	Solomon Wiseman	H,N,Sh,PS	1811-1817W.
"	<u>Windsor</u>	Sl	16	1)Chas. Beasley 2)H. Major (1813-1814)	N	1811-1816W
"	<u>Hope</u>	Sl	15	Solomon Wiseman	H,PS	1811-1817W at PS.
"	<u>Improvement (3)</u>	Sl		James Roberts		May be same as <u>Improvement (1)</u>
"	<u>William & Anne</u>	Sl	21	James Webb	H	
"	<u>Cumberland</u>	Sc	80	R. Campbell 1814.		1811-c.1814.
"	<u>Governor Macquarie</u>	B	136	Wm. Stewart or G. Blaxcell W. Broughton, E. Bunker, W. & J. Jenkins	VDL,NZ,PI	Mrs. Reiby owned in 1817. G. Blaxcell may have owned 1813-1814. 1811- ?
1812	<u>Active</u>	B	120	J. Gordon & T. Abbott	NZ,VDL,PI	Arr. Calcutta 1.1.1812. later owned by Missionary Society.
"	<u>Resource</u>	Sc		Doran & Russell	H,N	
"	<u>Fly (2)</u>			Wm. Stewart	F	
"	<u>Elizabeth (2)</u>	C	33/40	R. Campbell & Co.	VDL,PI	1812-1816W. Brought in frame in <u>Hunter</u> .
1813M	<u>Queen Charlotte</u>	B	136	1)R. Campbell & Co. 2)James Birnie	VDL,CGH PI	1813-1825 +
" M	<u>Campbell Macquarie (1)</u>	B	100	R.W. Loane	VDL,PI	Launched Hobart 1813-1814.
"	<u>James Hay</u>	B	186	Ed. Lord, G. Blaxcell, Wm. Campbell	PI	Brought goods from Britain.
"	<u>Henrietta Packet</u>	Sc		1)W. Birch 2)John Howard (1818)	VDL	1813-1818. Renamed <u>Young Lachlan</u> 1818, then pirated.
"	<u>Unicorn</u>				H	1813. One reference only.
"	<u>Daphne</u>	B	127	1)W. Campbell 2)Captain Howard (1819)	F,VDL,PI	Owned by CGH Merchant on arrival in Sydney in 1813. 1813-1819W.

Year	Vessel	Rig	Tons	Owner	Employment	Remarks
1813	<u>Happy Return</u> (2)	Sl	13	1) Thomas Ivory 2) James Stokes	H	1813-1815 ?
"	<u>Mary</u>	Sl Sc	53	1) John Redmond 2) Solomon Levy (1821)		1813-1821W
1814	<u>John Palmer</u>	Sc	36	1) Mary Reiby 2) Jones & Riley	N, VDL	1814-1820W Built by R. & W. Jenkins.
"	<u>Three Bees</u>				Sh	Only one reference.
"	<u>Campbell Macquarie</u> (2)	B	135	Joseph Underwood	PI, Ind, PI, MI, VDL.	Nominal owners Alexander & Co. when arr. from Calcutta 1814. 1814-1821.
1815	<u>Jane</u>	Sl		James Mills	H	1815-1816W.
" M	<u>Rosetta</u>	B		Jonathan Griffiths	H, BS, PS, VDL	1815-1818. Sold to Govt. Re-named <u>Prince Leopold</u> .
"	<u>Anna Maria</u>	Sl		Robt. Thompson	H, N	1815-1819.
1816	<u>Nancy</u> (2)	Sc	14	1) Jonathan Griffiths 2) John Neal (1818)	H	1816-1819
1817	<u>Martha</u>	Sl	22	1) John Redmond 2) R.W. Loane (1820)	H, N, PS	1817- ? Loane's <u>Martha</u> may be different vessel.
"	<u>Endeavour</u> (3)	Sc		Simeon Lord John Black	N	1817W. J. Black was Lord's adopted son.
"	<u>Jupiter</u>	B	114	Ed. Lord	VDL	1817-1824 then sailed for Ch.
1818	<u>Jenny</u>			G. Plomer	H	1818.
"	<u>Sindbad</u>	Sc	44	1) Geo. W. Barnard/Barnett 2) Robt. Hazard & Co. (1819) 3) R. Campbell (1820) 4) Thos. Street (1821)	VDL, N, PS	1818-1822W at PS.
"	<u>Experiment</u>	Sl		Geo. Crossley		1818W.
1819	<u>William Broughton</u>			Thos. Crumpton	H	1819-1820W.
"	<u>Haweis</u>	B	73	Missionary Society	VDL, PI, N, PM	1819-1825 + Built at Tahiti.
"	<u>Hawke</u>	Sl	9	Andrew Byrne	H	1819-1821.
"	<u>Little Mary</u>	Sc	60	Joseph James		1819-1822W. James was a master- mariner from CGH. Built Mauritius.
" M	<u>Glory</u>	B	85	John Griffiths	NZ, VDL	1819-1825 + Built at Richmond, possibly in 1817.
"	<u>Black Joke/Jack</u>	Sc		Thos. Ritchie Jas. Hankinson	H, VDL	1819-1823
1820M	<u>Commerce</u>	Sc		John Dickson	VDL	1820 only one reference.
"	<u>Echo</u>			Thomas Street	H	1820-1822.
"	<u>Sally</u>	C/Sl	48	George Peat	H, VDL, PS, PM	1820-1825.
1821	<u>Tiveot</u>			J. McDougal	H	1821-1824
" M	<u>Snapper</u>	C	42		NZ, PM, PI	1821-1824 +
"	<u>Branch</u>			John Grono	H	1821- ?
"	<u>Endeavour</u> (4)	Sc	61	John MacQueen purchased by Missionary Society for the 'King' of Raiatea.	PI	

Sources for the list are chiefly the Sydney Gazette, which commenced publication in 1803, the returns of the Naval Officer, Cumpston (Shipping), and various references in official correspondence, private letters, court records and other papers. The list does not claim to be complete, particularly of the smaller vessels.

APPENDIX E - PART 2The Owners and their Partners and Associates

<u>Owner</u>	<u>Status</u> (C - came convict, F - came free)	<u>Partners and Associates</u>
Abbott, Thomas	C	Samuel Thorley, W.H. Mansell.
Beasley, Charles	C	Thomas Ivory.
Benn, J.	C	John Webb, John Grono.
Black, John, Jr.	F	Simeon Lord.
Blaxcell, Garnham	F	John Macarthur, Thomas Jamison, William Campbell, Edward Lord, William Shelly.
Blaxland, John	F	Gregory Blaxland, Simeon Lord.
Broughton, William	F	William and James Jenkins, Ebor Bunker.
Bunker, Ebor	F	Jenkins brothers, William Broughton.
Campbell, Murdoch	F	William Campbell
Campbell, Robert	F	John Palmer
Campbell, William	F	Garnham Blaxcell, John Mac- arthur, Thomas Jamison, Mur- doch Campbell, Simeon Lord, Edward Lord.
Chace, Samuel R.	F	Henry Kable, James Underwood.
Cooper, Daniel	C	Solomon Levy, Robert Cooper
Cooper, Robert	C	S. Levy, D. Cooper.
Crumpton, Thomas		(or Crump), William Broughton.
Doran, Owen	C	Russell.
Eaton, William	C	John Ward.
Gaudry, William	F	Henry Kable, Jr.
Gordon, James	F	Thomas Abbott.
Grant, James John	C	Matthew Kearns.
Griffiths, Jonathan	C	Samuel Thorley, John Warner, John Griffiths.
Griffiths, John	F	(Son of Jonathan Griffiths).
Hibbs, Peter	F	E. Smith, George Hibbs.
Hibbs, George	F	(father Peter Hibbs).
Ivory, Thomas	C	Charles Beasley.
Jamison, Thomas	F	John Macarthur, Garnham Blaxcell, William Campbell.
Jenkins, William	C)	
Jenkins, James	C)	Boat builders
Jones, Losco	F	Joseph Underwood.
Jones, Richard	F	Edward Riley.
Kable, Henry	C	James Underwood, Simeon Lord.

<u>Owner</u>	<u>Status</u> (C - came convict, F - came free)	<u>Partners and Associates</u>
Kable, Henry, Jnr.	F	William Gaudry.
Kearns, Matthew	C	James John Grant.
Levy, Solomon	C	Daniel and Robert Cooper.
Loane, R.W.	F	
Lord, Edward	F	William Campbell, G. Blaxcell.
Lord, Simeon	C	Aaron Davis, William Hingston (1799), Hugh Meehan (1800), Henry Kable, James Underwood, Thomas Moore, Francis Williams, David Dalrymple, John Black, Jnr., William Campbell. G. Blaxcell, T. Jamison, W. Campbell.
Macarthur, John	F	William Johnston.
McKellop, A.	F ?	Patrick Shannon.
M'Leese, Daniel	F	Thomas Abbott.
Mansell, William H.	F	John Harris, Simeon Lord.
Moore, Thomas	F	William Watkins.
Morley, Joseph	C	William Smith.
Peat, George	F	
Reiby, Mary	C	
Reiby, Thomas	F	Edward Wills.
Reiby, Thomas, Jnr.	F	
Riley, Edward	F	Richard Jones.
Russell, William	F	Owen Doran.
Smith, E.	F	Peter Hibbs.
Stewart, William	F	John Palmer.
Thompson, Andrew	C	Simeon Lord ?
Thorley, Samuel	C	Jonathan Griffiths.
Underwood, James	C	Henry Kable, Joseph Underwood, Simeon Lord.
Underwood, Joseph	F	Iosco Jones, James Underwood.
Walker, William	F	Richard Jones, Edward Riley.
Warner, John	C	Jonathan Griffiths.
Watkins, William	C	Joseph Morley.
Webb, John	C	John Benn.
Williams, Francis	F	Simeon Lord.
Wills, Edward	C	Thomas and Mary Reiby.

N.B. Not all owners are listed here, but those have been selected who were known to have partners or close associates in their shipping concerns.

APPENDIX F

Chronological List of Vessels Outfitted by the Co-partnership Trade of Lord, Kable & Underwood 1805 - 1808 Based on the List of Accounts of Mr. Henry Kable, Ships Husband to the Concern, drawn up in 1812.

		£	s	d
1804	Dec - 1805 Apr, Outfit of the <u>Sloop Surprise</u> for four voyages to Newcastle	109.	10.	1
1805	Jan, Outfit <u>Sloop Nancy</u> , Demairer master, to Southw'd	318.	13.	8 $\frac{1}{2}$
"	Jan, " <u>Schooner Governor King</u> , Moody master	320.	3.	8
"	Feb, " <u>Schooner Endeavour</u> , Motrell master, to South	396.	14.	11 $\frac{1}{2}$
"	Apr, " <u>Ship King George</u> , Moody, to the Derwent	320.	11.	10
"	" " <u>Governor King</u> to the Penantipodes	939.	1.	8
"	May, " <u>Schooner Marcia</u> , John Barton,	18.	3.	8
"	Jun, " ditto Thos. Derry,	24.	17.	9 $\frac{1}{2}$
"	" " <u>Independence</u> , Townsend,	255.	12.	5
"	" " 26 " <u>Ship King George</u> , Moody,	286.	0.	1 $\frac{1}{4}$
"	Jul, " <u>Schooner Endeavour</u> , Rooke,	496.	4.	1 $\frac{1}{2}$
"	Aug, " <u>Schooner Marcia</u> , Wm. Miell,	185.	7.	9 $\frac{1}{2}$
"	Sep, " <u>Honduras</u> , to Antipodes and England	362.	1.	3 $\frac{3}{4}$
"	" " <u>Ship King George</u> , Moody, to the Derwent	829.	12.	11 $\frac{1}{2}$
"	Oct, " <u>Schooner Marcia</u> , Wm. Miell,	284.	7.	9 $\frac{1}{2}$
"	Nov, " <u>Governor King</u> , Edwards,	547.	6.	9
"	Dec, " <u>Ship King George</u> , Moody, to Southward	845.	0.	1 $\frac{1}{2}$
"	Apr - Dec, <u>Commerce's</u> expenses in harbour	130.	17.	7
"	Aug - 1807 Feb, 10 outfits of the <u>Contest</u>	736.	8.	2 $\frac{1}{2}$
1806	Jan, Outfit <u>Ship Ceres</u> , Capt. Sharp,	172.	19.	4
"	" " <u>Raven Sloop</u> , Blackburn,	46.	2.	6 $\frac{1}{2}$
"	" " <u>Schooner Endeavour</u> , William Rooke,	42.	9.	7 $\frac{1}{2}$
"	Feb, Outfit <u>Snow Commerce</u> , Ceronio,	1,728.	11.	4
"	" " <u>Schooner Endeavour</u> ,	619.	18.	0
"	" " <u>Schooner Marcia</u> , John Barton,	8.	9.	10
"	" " Provisions per <u>Sophia</u> , Capt. Collins,	8.	17.	3
"	Mar, Outfit <u>Ship Star</u> , Capt. Birnie,	164.	11.	11 $\frac{1}{2}$
"	Apr, " <u>Schooner Marcia</u> , Siddons,	291.	19.	0
"	" " <u>Contest</u> to procure wreck of the <u>Gov. King</u>	85.	13.	3
"	Jun, Outfit of the <u>Aurora</u> , Meyrick,	453.	17.	10 $\frac{1}{2}$
"	Jul, " <u>Favourite</u> , Paddock,	346.	10.	6
"	Sep, <u>Governor Hunter</u> , John A	211.	11.	6
"	Oct, Outfit <u>Schooner Marcia</u> , Paul Dick,	128.	15.	8
"	Nov, " <u>Schooner Endeavour</u> , Rowlinson, to Norfolk I.	140.	10.	11
1807	Jan, Outfit <u>Schooner Endeavour</u> to Hawkesbury & Bass Sts.	119.	0.	5
"	Feb, " <u>Schooner Marcia</u> , Paul Dick,	25.	7.	3
"	" " <u>Commerce</u> to Penantipodes,	773.	4.	3
"	" " <u>Ship King George</u> , Moody, to the Feejees,	1,100.	10.	10 $\frac{3}{4}$

Vessels Outfitted by Lord, Kable & Underwood

Page two

			£	s	d
26 Mar,	Outfit	<u>Schooner Endeavour</u> , Sawen, to Hunter's R.,	20.	18.	1
"	"	<u>Ship Star</u> , Capt. Wilkinson,	662.	15.	1
"	"	" "	64.	4.	6
"	"	<u>Schooner Marcia</u> , Paul Dick,	23.	1.	8
1 Apr,	"	<u>Schooner Endeavour</u> , Sawen, to Hunter's R.,	10.	6.	8
"	"	<u>Schooner Marcia</u> , Paul Dick,	9.	19.	6
Jun,	"	<u>Schooner Endeavour</u> , Paul Dick, to Southward,	352.	6.	6
"	"	<u>Sydney Cove</u> ,	232.	14.	6
July,	"	<u>Santa Anna</u> on a sealing voyage,	1,894.	9.	2
Oct,	"	<u>Schooner Marcia</u> , Jas. Hunter,	148.	11.	7
Dec,	"	" "	139.	11.	10
"	"	<u>Ship King George</u> , Moody,	1,882.	8.	3 $\frac{1}{2}$
1808					
Jan,	"	<u>Schooner Endeavour</u> , John Carrol, 3 voyages to the Coal River, and Articles supplied on the repair to Bass Straits	166.	13.	1 $\frac{1}{2}$
Apr,	"	<u>Schooner Endeavour</u> , to Hawkesbury & Bass St.	119.	0.	5
Jul,	"	" " to Jervis's Bay	34.	4.	8
"	"	<u>Schooner Marcia</u> , John Glanville,	9.	19.	8 $\frac{1}{2}$
Aug,	"	<u>Ship King George</u> , S.R. Chace,	1,177.	3.	4 $\frac{1}{2}$
"	"	<u>Schooner Marcia</u> , Joseph Craft,	11.	15.	9 $\frac{1}{2}$
Sep,	"	" "	7.	8.	10
"	"	<u>Boun Cidadeo</u> , to Canton	833.	12.	9
Oct,	"	<u>Santa Anna</u> , Moody, to Bligh Is. and England	3,287.	9.	7 $\frac{3}{4}$
Dec,	"	<u>Schooner Marcia</u> , John Glanville,	19.	16.	10 $\frac{1}{2}$
			£25,865.10. 1 ¹		

The above listed vessels were repaired and maintained in the shipyard of Henry Kable and James Underwood. The above charges are those administered by Henry Kable who was "ships husband", and as such responsible for provisioning them, wages of officers and crew, and provisioning the sealing gangs left on the sealing grounds in Bass Straits and off New Zealand.

1. Based on an account preserved in Lord v Kable and Underwood, Court of Civil Jurisdiction, Cause 315, Case Papers, N.S.W. Archives 2279. The total was incorrect by 12s 0 $\frac{1}{4}$ d and has been corrected.

SELECT BIBLIOGRAPHY

SELECT BIBLIOGRAPHY

See also the notes within each chapter.

1. CONTEMPORARY SOURCES.

A. Manuscripts

(i) The Archives Office of New South Wales.

Court and other legal records:

Appeals Court Papers 1801-1828.

Appeals Court Minute Books 1810-1814.

Court of Criminal Jurisdiction 1788-1815.

Court of Civil Jurisdiction:

Rough minutes of proceedings and related documents 1788-1809 (1165).

Minutes of Proceedings 1800-1801; 1804-1814 (1092-1111).

Case Papers 1810-1814.

Case Papers (Unheard) 1810-1813.

Equity Court Rolls (and enclosed papers) 1817-1824.

Supreme Court Papers.

Vice-Admiralty Court Records 1795-1814 (1163).

Other records:

Colonial Secretary's Letter Books. (4/3490-4/3968)

Colonial Secretary's In-Letters 1788-1826. (4/17919-4/1794)

Colonial Secretary - Memorials re land 1810, 1813-1819, 1820, 1821.

Colonial Secretary - Special Bundles 1788-1826.

Naval Officer's Quarterly Reports 1810-1824.

Naval Officer's Returns - Bonds on Colonial Vessels 1810-1819 (4/1877).

Papers re detention of brig Harrington (4/1093⁻¹)

"Claims on account of cedar, etc." 1822-1826 (4/1099⁻²).

Muster and Census Records, Lands and Stock, 1822 (4/1221).

(ii) The Mitchell Library MSS Collection.

The following are family or individual collections of papers:

Macarthur, Riley, Wentworth, Berry, Banks, Chisholm (with Chisholm Notebook, A4047), Lawson, Black, Piper, Hassall, Marsden, Macquarie, King, David Collins, Brisbane, Underwood, Thomas Jamison, Redfern, George Hall, Porter, Crummer, Blaxland, Dr. David Ramsey, Oxley, Bligh, Broughton.

While some of the large collections contain accounts or account books, ledgers, etc. (see especially the Macarthur Papers) students should consult:

"List of account books, ledgers, etc. 1799-1895" (Aa 95).

Thomas Abbott's Ledger 1799-1811, (B771).

W. H. Mansell's Account Book 1809-1812 (A2111).

Parkes Cash Account Book (A705⁻¹)

Darcy Wentworth Account Books 1812-1820, 1821-1827 (A1410, A759).

R. Hassall's Day Sales Book 1803-4, 1809-10; Day Book 1810-12;

Ledger 1811-1819 (A861-A864); Cash Account Book 1819-1826 (B420).

Mrs. King's Stock Account Book 1807-1832 (A865-A866).

Berry Papers Vol. 30: Accounts and Payments 1819 - (Uncat Set 315).

Berry Papers Vol. 27: Transactions Berry & Wollstonecraft 1811-1825.

"Day Book of a Sydney Merchant" 1805-1806 (B437) which from internal evidence must in fact have been Dr. Redfern's Day Book when he was trading on Norfolk Island in those years.

John Howe Papers 1811-1819 including sales by auction 1811 (C197).

Simeon Lord's Account Book 1837-1839 (B697).

For details of entrepreneurs' progress, land, stock etc. the musters are a useful source. See Mutch Indices of births, marriages, and deaths, stock, land grants and also:

Settlers Muster Book 1800.

Settlers Muster Book 1801.

Stock and Land Muster 1802.

1806 Muster.

Muster, 1814 (Sydney, Liverpool, Parramatta, Windsor).

Census of 1828.

Other MSS to be consulted would include such archival estrays and copies of archives as:

Colonial Secretary's Papers (681/1-5).

Joseph Foveaux, "Remarks on N.S.W." (Af 48).

Joseph Foveaux, Letter Book (A1444).

General & Garrison Orders of David Collins 1803-1808 (A341).

King Letter Book (A4042).

"Governor Paterson's Letter Book" (D144).

Copies of letters to Governor Macquarie (A1932).

King's Correspondence with Lord Hobart and with Lieut-Gov. Collins
1802-1806 (C186).

Letter, Bligh to Lord Derby, 1806 (Ab60).

Alexander Davidson to Henry Dundas re victualling needs of the
colony (Ad 97/1).

Bigge enquiry (Ab 20/3).

Legal Precedents & Documents 1798-1816 (B796).

Registers of Assignments, several volumes (photocopies).

Bonwick Transcripts, especially for evidence submitted to Commissioner
J. T. Bigge, but also for missionary papers, and transcripts from
Indian newspapers.

Governors Dispatches 1830 (A1207).

Dispatches of the N.S.W. Governor - Enclosures, 1830-1 (A1267-12).

G. B. & I. - Colonial Office - Misc. Letters re N.S.W. 1832 (A2146).

Copies of Lancashire Co. Archives. (for Lord, Ae 39).

Other documents or sets which are concerned with commerce or with life
in Sydney in this period would include:

Arnold, Dr. Joseph, Diary 1810-1815 (C720).

Arnold, Dr. Joseph, Letters 1810 - (A1849).

"Autographs" MSS Collection (A5).

Bishop, Charles, Nautilus Memorandum 1796-1799 (C192).

- Balmain Papers 1751-1869 (A2022).
- Bank of New South Wales 1819-1841 (A329).
- Bass and the voyage of the Venus 1802 (B1374)
- Brown & Co. (founded by Jas. Chisholm) Letter Book (A2655).
- Campbell, Robert, Letter Book (B1348).
- Chapman, Wm., Letters 1791-1838 (A1974).
- Cox, Jane Maria, Reminiscences 1813-1855 (A1603).
- East India Co. Influence of on Colony of N.S.W., Anon. (B1401).
- East India Co. Memoranda & Minutes 1786-1798 (A2038).
- Goldmar Papers (A605)
- Grant, Jas., Report on Hunter River, 1801 (G230).
- Hayes, Michael, Letters of (Photocopies, A3586).
- Hammersly, G. re barter of spirits 1807 (A657).
- Harris, Dr. John, Papers of (A1597).
- Hunter, Gov., Letters to Banks to 1802 (A1787).
- Hall, Wm., Journal, 1819 - (A1552)
- Hook, Charles, Letter Book 1810-1815 (Photocopy), (*Uncat. MS 109*).
- Jamison Family Papers 1811-1843 (D68).
- Johnson, Rev. R., Letters (B1351).
- Kelly, James, Whaleboat Voyage round V.D.L. 1815-1816 (G227).
- "Letters, King, Bligh, etc." (Safe 1/51).
- "Letter from Lachlan Macquarie" (Am 17)
- Lawson, Wm., Letters to Sloper 1817-1824 (B1475)
- Lord, James & Maria, Letter Book 1819-1821 (A1399).
- Margarot, Maurice, Journal (Rusden - B1374).

Oxley, John, Letter Book, 1814-1822 (C170).

Robinson, Michael M., MSS (A1939).

Reiby, Mary, Journal.

Rhodes, Robt. - Whaling Voyage accounts 1801-6 (A1442).

"Sealers of Bass Strait, 1831" (A575).

Senior, Lieut., Papers, (re Bligh).

Tuckey, J.H. "The Present State of New South Wales 1804" (A2001).

Throsby, Chas., Papers 1810-1824 (A1940-A1944).

Useful micro-films in the Mitchell Library would include:

Colonial Office Series C.O. 201 including Reel 117, J.T. Bigge,

Appendix to Report, and 131, Petitions, Memorials and Complaints.

Board of Trade Papers, 6/88.

Banks Papers, Sutro Collection (originals in California State Library).

Richard Atkins Journal 1792-1810 (FM 3/8).

Bass and Waterhouse Papers (FM 4/63).

Bent, Ellis, Letters 1809-1811 (FM 3/20).

John Grant's Journal 1805-1810 (FM 4/1141).

J. S. Roe's Sydney Diary 1817 (FM 4/64).

War Office Records 4/825 N.S.W. Corps 1789-1810 (FM 412).

Blaxland, re Cape Town records, and provisioning of ships, etc. (list
at Aa 104, FM 3/204).

Wentworth - Fitzwilliam Papers (FM 4/727).

The Dixon Library also contains useful supplementary documents, usually isolated or in small groups, and its catalogue, now much more elaborate and thorough than it was six or seven years ago, should be consulted under such heads as shipping, commerce, sealing, etc., and under the names of prominent entrepreneurs.

B. Printed Sources

- Barrington, George, The History of New South Wales... from the Original Discovery of the Island... to the Present Time, London, 1802.
- Bigge, J. T., Report of the Commissioner of Inquiry into the state of the Colony of New South Wales, 1822.
- " Report of the Commissioner of Inquiry on the Judicial Establishments of New South Wales, and Van Diemen's Land, 1823.
- " Report of the Commissioner of Inquiry, on the state of Agriculture and Trade in the Colony of New South Wales, 1823.
- Bond, G., A Brief Account of the Colony of Port Jackson in New South Wales, 4th Edn., Oxford, 1806.
- [Chapman]: Narrative of the Case of Mr. Thomas Chapman..., London, 1810.
- Collins, David, An Account of the English Colony of New South Wales (1st Edtn.) London 1798, (2nd Edtn.) London, 1804.
- Colnett, Capt. James, Voyage Round the World in H.M.S. Glatton, 1802.
- Compton, E. (Ed.) A Master Mariner: Being the Life and Adventures of Capt. Robert William Eastwick, London, 1891.

- Cunningham, Peter, Two Years in New South Wales, London, 1827.
- Davies, J., The History of the Tahitian Mission 1799-1830, Ed. C. W. Newbury, Hakluyt Soc. Series 2, No. CXVI, 1961.
- Debenham, F., (Ed.) The Voyages of Captain Bellinghausen to the Antarctic Seas 1819-1821, Hakluyt Soc. Series 2 No. XCII, 1945.
- Delano, Capt., Narrative of Voyages and Travels in the Northern and Southern Hemispheres, Boston, 1817.
- Historical Records of Australia, 33 vols. in 4 series, pub. by Commonwealth of Australia, 1914-1925.
- Historical Records of New South Wales, 7 vols. pub. by Government of N.S.W., 1893-1901.
- Holt, Joseph, Memoires, London, 1838.
- Hunter, John, Remarks on the Causes of the Colonial Expense of the Establishment of New South Wales..., London, 1802.
- Im Thurm, Sir E. and Wharton, L. C. (Eds.) The Journal of William Lockerby, Hakluyt Soc. Series 2, No. LII, 1925.
- Lang, J. D., An Historical and Statistical Account of New South Wales..., 2 vols., London, 1875.
- Macarthur, Onslow, S. (Ed.), Some Early Records of the Macarthurs of Camden, Sydney, 1914.
- Mackness, G. (Ed.), Some Letters of the Rev. Richard Johnson, B.A., Sydney, 1964.
- M'Konochie, A., A Summary View of the Statistics and Existing Commerce of the principal shores of the Pacific Ocean, London, 1818.
- Maclehose, J., Picture of Sydney and Stranger's Guide in New South Wales for 1839, Sydney, n.d.

- Mann, D. D., The Present Picture of New South Wales, London, 1811.
- Milburn, W., Oriental Commerce, or the East India Trader's Complete Guide,
London, 1825.
- New South Wales Almanack, 1813.
- Report of the Select Committee on Transportation, P.P., 1812.
- Report of the Select Committee on the State of the Gaols, P.P., 1819.
- Roe, Michael (Ed.) The Journal and Letters of Capt. Charles Bishop ...
1794-1799, Hakluyt Soc., Series 2 vol. CXXXI, 1967.
- Rusden, G. W., Curiosities of Colonisation, 1874.
- Smith, W., Journal of a Voyage in the Missionary Ship Duff, New York, 1813.
- Sydney Gazette.
- Therry, R., Reminiscences of Thirty Years Residence in New South Wales and
Victoria, London, 1863.
- Tuckey, J. H., An Account of a Voyage to Establish a Colony at Port
Phillip... in H.M.S. Calcutta 1802-3-4, London, 1805.
- Turnbull, John, A Voyage round the World in the Years 1800, 1801, 1802,
1803 and 1804, London, 1805.
- Wentworth, W. C., A Statistical, Historical and Political Description of
the Colony of New South Wales and its Dependent Settle-
ments in Van Diemen's Land, London, 1819, (3rd Edtn. 1824).

2.

SECONDARY SOURCES

A. Articles

- Abbott, G. J., "Staple theory and Australian economic growth 1788-1820", Business Archives and History (hereafter BAH), vol. 5 Aug 1965.
- " " "A note on the volume of New South Wales treasury bill expenditure 1788-1821", BAH, vol. 6, Feb 1966.
- Ashton, T. S., "The relation of economic history to economic theory", Economica, N.S., vol. 13, 1946.
- Bax, A. E., "Australian merchant shipping 1788-1849", Royal Australian Historical Society Journal (hereafter RAHSJ), vol. 38, 1952.
- Beever, E. A., "The origins of the wool industry in New South Wales", BAH, vol. 5, Aug 1965.
- Bergman, C. F. J., "James Larra, the commercial nabob of Parramatta", Journal of the Australian Jewish Historical Society, vol. 8, July 1960.
- " " "Solomon Levey in Sydney", RAHSJ, vol. 49, Mar 1964.
- Blainey, Geoffrey, "A reply: I came, I Shaw...", Historical Studies, Australia and New Zealand (hereafter HSANZ), vol. 13, Apr 1968.
- " " "Botany Bay or Gotham City?", Australian Economic History Review, vol. 8, Sep 1968.

- Bolton, G. C. "The Hollow Conqueror: flax and the foundation of Australia", Australian Economic History Review, Vol. 8, Mar 1968.
- Bruchey, Stuart, "Douglass C. North on American Economic Growth", Explorations in Entrepreneurial History, vol. 1, Winter 1964.
- Byrnes, J. V., "Andrew Thompson 1773-1810" Parts i and ii, RAHSJ, vol. 48 Jun and Jul 1962.
- Campbell, W. S., "The East India Company and the Australian trade", RAHSJ, vol. 4, 1917-19.
- " "The use and abuse of stimulants in the early days of settlement in New South Wales", RAHSJ, vol. 18, 1932-3.
- Churchward, L. G., "American whaling activities in Australian territorial waters 1800-1850", HSANZ, vol. 4, 1949-51.
- Cole, Arthur H., "An approach to the study of entrepreneurship" in F. C. Land and J. C. Riemersma (Eds.) Enterprise and Secular Change, London, 1953.
- Dunbabin, T. "Whalers, Sealers and Buccaneers", RAHSJ, vol. 11, 1925.
- Fletcher, B. H., "Development of small scale farming in New South Wales under Governor Hunter", RAHSJ, vol. 50, Jun 1964.
- " "Grose, Paterson and the settlement of the Hawkesbury", RAHSJ, vol. 51, Dec 1965.
- " "The Hawkesbury settlers and the Rum Rebellion", RAHSJ, vol. 54, Sep 1968.
- Foster, W., "Francis Grose and the Officers", RAHSJ, vol. 51, Sep 1965.

- Hainsworth, D. R., "In search of a staple: the Sydney sandalwood trade 1804-1809", BAH, vol. 5, Feb 1965.
- " "Exploiting the Pacific frontier: the New South Wales sealing industry 1800-1821", Journal of Pacific History, vol. 2, 1967.
- " "Iron men in wooden ships: the Sydney sealers 1800-1820", Labour History, no. 13, Nov 1967.
- " "The New South Wales shipping interest 1800-1821: a study in entrepreneurship", Australian Economic History Review, vol. 8, Mar 1968.
- Hartwell, R. M., "Australia's first trade cycle", RAHSJ, vol. 42, 1956.
- Kemp, M. C. and T. B., "Captain Anthony Fenn Kemp", RAHSJ, vol. 51, Mar 1965.
- Kemp, R. E., "Commercial life in Sydney a century ago", RAHSJ, vol. 4, 1917.
- Ker, J., "The wool industry in New South Wales, 1803-1830", Parts i and ii, BAH, vol. 1, no. 9 (n.d.), vol. 2, no. 1, Feb 1962.
- King, C. J., "The first fifty years of agriculture in New South Wales", Agricultural Economics, 1948-9.
- Le Roy, P. M., "Samuel Terry", RAHSJ, vol. 47, Oct 1961.
- Mason, Marjorie, "Thomas Fyssh Palmer, a political exile of 1793", Scottish Historical Review, Jan 1916.
- McCarty, J. W., "The staple approach in Australian economic history", BAH, vol. 4, Feb 1964.

- Maude, H. E., "The Tahitian pork trade 1800-1830", Journal de la Societe des Océanistes, vol. 15, no. 15, Dec 1959.
- Parsons, T. G., "Governor Macquarie and the economic crisis in New South Wales 1810-1815", New Zealand Journal of History, vol. 2, Oct 1968.
- Roe, Michael, "Australia's place in 'the swing to the east' 1788-1810", HSANZ, vol. 8, May 1958.
- " "Colonial society in embryo", HSANZ, vol. 7, May 1956.
- " "Charles Bishop, pioneer of Pacific commerce", Tasmanian Historical Research Asscoctn., Papers & Proceedings, vol. 10, Jul 1962.
- Rowland, E. C., "Simeon Lord, a merchant prince of Botany Bay", RAHSJ, vol. 30, 1944.
- Shaw, A. G. L., "Missing land grants in New South Wales 1792-1800", HSANZ, vol. 5, 1951-3.
- " "The hollow conqueror and the tyranny of distance", HSANZ, vol. 13, Apr 1968.
- Steven, M. J. E., "The changing pattern of commerce in New South Wales 1810-1821", BAH, vol. 3, Aug 1963.
- Thomas, R. J.S., "Some aspects of the history of the roads of New South Wales", RAHSJ, vol. 53, Mar 1967.
- Voss, V. de V., "The Wentworth-Fitzwilliam microfilm", RAHSJ, vol. 47, Jul 1961.

- Walsh, G. P., "The English colony in New South Wales: A.D. 1803", New Zealand Geographer, vol. 18, Oct 1962.
- " The geography of manufacturing in Sydney, 1788-1851", BAH, vol. 3, no. 1, 1963.
- Young, J. M. R., "Australia's Pacific frontier", HSANZ, vol. 47, Oct 1966.

B. Books

- Abbott, G. J. and Nairn, N. B. (Eds.), Economic Growth of Australia 1788-1821, Melbourne, 1969.
- Bateson, C., The Convict Ships, Glasgow, 1959.
- Blainey, G., The Tyranny of Distance, Melbourne, 1966.
- Brown, Hilton, Parrys of Madras, Madras, 1954.
- Bowden, K. M., Captain James Kelly of Hobart Town, Melbourne, 1964.
- Bruchey, Stuart, The Roots of American Economic Growth 1607-1861, London, 1965.
- Butlin, S. J., The Foundation of the Australian Monetary System 1788-1851, Melbourne, 1953.
- Clark, C. M. H., A History of Australia, Vol. I, Melbourne, 1962.
- Cumpston, J. H., Shipping Arrivals and Departures, Sydney, 1788-1825, (2nd Edtn.) Canberra, 1964.
- Dakin, W. J., Whaleman Adventurers, Sydney, 1934.
- De Salis, M., Captain Thomas Raine, An Early Colonist, Sydney, 1969.
- Dunbabin, Thomas, Sailing the World's Age, London, 1931.
- Elder, J. R., Letters and Journals of Samuel Marsden 1765-1838, Dunedin, 1932.

- Ellis, M. H., Lachlan Macquarie, Sydney, 1947.
- " John Macarthur, Sydney, 1955.
- Evatt, H. V., Rum Rebellion, Sydney, 1938.
- Fanning, Edward, Voyages and Discoveries in the South Seas 1792-1832,
1924.
- Fitzpatrick, B., British Imperialism and Australia 1788-1833, London,
1933.
- Grattan, C. Hartley, The South West Pacific to 1900, Ann Arbor, 1963.
- Greenberg, M., British Trade and the Opening of China 1800-1842,
Cambridge, 1951.
- Greenwood, G., Early American-Australian Relations to 1836, Melbourne,
1944.
- Hainsworth, D. R., (Ed.) Builders and Adventurers: the Traders and the
Emergence of the Colony 1788-1821, Melbourne, 1969.
- " Simeon Lord, Melbourne, 1968.
- Hartwell, R. M., The Economic Development of Van Diemen's Land 1820-1850,
Melbourne, 1954.
- Hill-Reid, W. S., John Grant's Journey, London, 1957.
- Maude, H. E., Of Islands and Men: Studies in Pacific History, Melbourne,
1969.
- McNab, R., From Tasman to Marsden, Dunedin, 1914.
- Morrell, W. P., Britain in the Pacific Islands, Oxford, 1960.
- Newman, C. E. T., The Spirit of Wharf House, Sydney, 1961.
- Parkinson, C. N., Trade in the Eastern Seas, Cambridge, 1937.
- " (Ed.) The Trade Winds, London, 1948.

Perry, T. M., Australia's First Frontier, Melbourne, 1963.

Phillips, C. H., The East India Company 1784-1834, Manchester, 1961.

Pike, Douglas (Gen. Ed.), The Australian Dictionary of Biography, Vols. I and II, Melbourne, 1966, 1967.

Report on the Sixth Interstate Harbour Conference, Fremantle, 1928.

Robson, L. L., The Convict Settlers of Australia, Melbourne, 1965.

Shann, M. O. G., Economic History of Australia, Cambridge, 1930.

Shaw, A. G. L., Convicts and the Colonies, London, 1966.

" The Story of Australia, London, 1960.

Shineberg, Dorothy, They Came from Sandalwood, Melbourne, 1967.

Steven, Margaret, Merchant Campbell 1769-1846, Melbourne, 1965.

Ward, J. M., British Policy in the South Pacific, Sydney, 1948.

C. Unpublished Theses.

Fletcher, B. H., The Development of Small Scale Farming in New South Wales (excluding Norfolk Island) 1787-1803. M.A. thesis, University of Sydney, 1962.

Roe, Michael, New South Wales under Governor King. M.A. thesis, University of Melbourne, 1955.