

THE UNIVERSITY OF NEWCASTLE

DEPARTMENT OF HISTORY

STUDENT RESEARCH PAPERS

IN

EARLY AUSTRALIAN HISTORY

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P R E F A C E

Each year students in the History IIB Class are asked in First Term to research a paper on some aspect of the History of Australia before Federation that interests them, basing their work, wherever possible, on primary sources. Some of these papers reach high standards, and not infrequently make original contributions to the understanding of our history, especially to the local history of this region.

This collection of five of the papers presented this year has been assembled to make the fruits of some of this research available to others, and at the same time to show students the standard of work that can be achieved. These essays are not necessarily the best essays, but they are good ones and are technically well presented. They have been chosen, however, more to demonstrate the variety of issues that interest students: local as well as national; female as well as male; black as well and white.

They display a solid background and provide an insight into several themes developed during the First Term. In this way they constitute a useful supplement to the course and should prove interesting reading.

It is hoped that this project will continue from year to year both to encourage research and originality and to slowly build up a body of material to which later students can refer.

Carol Bacchi  
Peter Hempenstall  
Noel Rutherford

## THE AUSTRALIAN AGRICULTURAL COMPANY

by Ken Kennedy

### SYNOPSIS

A study of the early years of the Australian Agricultural Company. Specifically, an investigation of the events leading to the suspension of its first Agent, Robert Dawson, in an attempt to judge who was really responsible for the problems which occurred at the Port Stephens pastoral enterprise.

On July 5th, 1824, a letter (1) was despatched from London to the Governor of New South Wales, Major-General Sir Thomas Brisbane. Its senders, describing themselves as a "Deputation of Directors on th part of the Australian Agricultural Company", (2) noted that they had enclosed a copy of a recent Act of Parliament,

"...granting certain Powers and Authorities to a Company to be Incorporated by Charter, to be called 'The Australian Agricultural Company', for the Cultivation and Improvement of Waste Lands in the Colony of New South Wales...". (3)

As well, Brisbane was implored to receive, from England, the Company's newly appointed "principal Agent, a Gentleman of Talents and agricultural experience" (4) who would be advised and assisted by "a Committee of Five Gentlemen, resident in the Colony". (5) Written in a tone of unbridled optimism, the letter concluded with the assertion that it,

"...will be a source of real gratification to us, to advance, to the utmost of our power, any public objects connected to the Improvement and prosperity of the Colony, with which our own interests are now so intimately connected...". (6)

At this point of time it would have been quite unnatural for the Company to have been anything other than optimistic. Within the short space of three months an approach to the Secretary of State Earl Bathurst, had resulted in a land grant of one million acres in New South Wales. Added to this was the promised support of the colony's Governor and the resources of his administration. Further, three of the members of the Committee appointed to assist the Company's agent were, directly or through marriage, of the Macarthur clan whose influence and proven success in the sphere of colonial agriculture suggested that the Company could do little else than profit most handsomely, especially if profits were received in proportion to the scope of the enterprise.

Yet, less than four years later, on March 13th, 1828, in a letter from Parramatta, Mr. James Macarthur wrote to his fellow members on the Committee,

"I need not assure you how painful it is to me to be compelled to report so unfavourably of the state of the Company's Establishment. Mr. Dawson has had many difficulties undoubtedly to contend with: and had his recent conduct evinced that the acknowledgements he made to me (whilst I was at Port Stephens) of past errors were sincere, I should have been disposed to view them in the most favourable light, and to have hoped that they might have been retrieved by further exertions. But when I perceive him determinately bent upon following up his own designs, in despite of

the opinions of the Committee and of the controlling authority they have undauntedly to interpose, I should think it a disgraceful compromise of my own character and a wilful sacrifice of the interests of the Company, were I to hesitate to express the opinion, I firmly entertain, that the only measure by which these interests can now be protected, is the suspension of Mr. Dawson". (7)

History records that Robert Dawson was suspended and eventually dismissed from the service of the Company. The question which remains to be answered is whether he was, as James Macarthur claimed, guilty of the mismanagement of the Company's affairs beginning with the now obvious blunder of taking up the Company's grant at Port Stephens.

This essay, then, will seek to investigate certain aspects of the A.A. Company, or more precisely the activities of its first agent, Robert Dawson, in an attempt to reveal and analyse the factors leading to the failure of the pastoral enterprise at Port Stephens.

In retrospect, it is blatantly obvious that the Company was launched with an inherent flaw because, in a simultaneous despatch to that sent to Governor Brisbane in July, 1824, the Directors wrote to the Committee, deeming

"...it expedient that an agent should be sent from this Country to undertake the management of the Company's Estates in the Colony...(who) will of course reside upon the Grant...a Gentleman of Talents, Respectability and such Agricultural and general experience as will qualify him to conduct with skill and activity an Establishment of so extensive a nature as that which is contemplated". (8)

If, in all fairness to Dawson, we accept the fact that he must have impressed sufficient people in England to justify his appointment as the principal agent of the Company, we can hypothesize that it is one thing to be successful in the relatively small-scale sphere of English agriculture, and quite another, to journey to the antipodes and be as equally successful in managing an enterprise of one million acres, admitted by the Directors to being "of so extensive a nature". That Dawson was to be advised and assisted by a five-man Committee was equally fallacious for, in the colony, there existed no single person or group experienced in initiating and conducting such a grand enterprise.

Whilst Dawson prepared himself for the voyage to New South Wales three of the Committee, James Macarthur, James Bowman (son-in-law of John Macarthur Sen.) and Hannibal Macarthur, initiated enquiries as to the possible site of the Company's grant. In a despatch to London on November 1st, 1824, they were able to report that the Surveyor-General, John Oxley, was

"...most friendly to the Establishment (Oxley had been given shares in the Company)...and he is at present of the opinion that the Liverpool Plains is the most desirable and unoccupied situation; as all the good land and indeed almost all the land near the navigable parts of the Hunter's River is granted. At Liverpool Plains he thinks half a million acres may be taken and another half a million near the Hastings". (9)

On that same day these three men admitted to Oxley that it had not as yet been ascertained whether the finest wool can be produced near the Sea, or in the interior...". (10)

The ultimate selection of the grant was determined, it would seem, not so much by human choice as geographical necessity for on November 5th, they agreed that whilst,

"...the Country in the vicinity of the Liverpool Plains will be found in many respects highly desirable...its great distance from the navigable part of the Hunter's River...and the want of a formed road would be serious difficulties to overcome in the infancy of an establishment". (11)

Ultimately, a report from Alan Cunningham, that same month, appeared to dispel any lingering doubts the Committee may have still held. This explorer described,

"...a tract of country extending north from Hunter's nearly one hundred miles to the Banks of the Hastings at Port Macquarie which is reasonable to infer possesses many important local advantages... where the future wealth of your respectable Community will be concentrated. The reports that have been given orally by runaway Convicts...have been highly favourable to the fertility and grassy character of the land...". (12)

Consequently, through haste or ignorance, or a combination of both, the Committee had predetermined the area into which Dawson would be directed to select the Company's grant. Their most serious error lay in the acceptance of an explorer's opinion which was based largely on the verbal reports of escaped convicts.

Dawson's eventual arrival in the colony prompted the Committee to laud, "great credit is reflected upon that Gentleman...in the arduous undertaking of conveying to such a distance so large a number of valuable and delicate animals". (13) Yet his first communication from the Port Stephens area was to prove grimly ironic for it related how many of "the valuable and delicate animals" that had survived the long sea journey from Europe, had been injured or lost on the long overland trek from Sydney.

On July 30th, 1826, some two years after the forming of the Company, Dawson wrote of his "intention to take portion, if not the whole, of the Australian Agricultural Company's Grant", (14) in that area extending from the Hunter River to the Hastings. Whilst time, and bitter experience would prove this a disastrous choice of land for primarily fine wool growing, Dawson should not have to suffer all the blame. Admittedly it was he who submitted the request to Governor Brisbane for a survey to legally determine the boundaries of the grant. But, it must not be overlooked that his choice had to be ratified by the Committee. Without extending themselves greatly this group could have made some effort to at least examine the tract of land chosen by Dawson and, drawing on what experience they had, either confirm or reject his decision. Instead, to a man, they elected to remain in the relative comfort of their homes, eventually reporting to London on December 10th, 1826, that,

"Mr. Dawson reports most favourably of the country he has passed over, and from his description of its various natural resources and capabilities, we are strongly impressed that nothing could have been more fortunate than the choice of Port Stephens for our first settlement". (15)

So, rather than condemn Dawson for what was to prove an initial blunder, the Committee deserves blame for their 'rubber-stamping' of his choice which underlines their early apathy in conducting the affairs of the Company.

In the Autumn of 1827, Dawson submitted his first major report on the state of the Port Stephens establishment to the Committee. In the opening paragraph he hinted at the problems being experienced in the administration of so vast an enterprise.

"It was my intention", he remarked, "to...have confined my Reports to regular and short periods. Experience however, has proved the impracticability of carrying these Intentions fully into effect..." (16)

Despite the obvious enormity of the task facing him, Dawson appeared to have the Company's establishment progressing favourably. Indeed, by the end of May, 1827, James Macarthur wrote, after visiting the site, of the "good management of Mr. Dawson, and the condition of the stock; as well as the natural advantage of the harbour and the adjacent country". (17)

This 'honeymoon' period, between the Macarthur elite and Robert Dawson, was soon to end, culminating in what proved to be a concerted effort aimed at removing Dawson from his position as principal agent by allegations of his general misconduct and neglect of Company affairs. This breakdown in relations must have been unexpected for, earlier that month, on the 9th, Dawson sprang to the defence of John Macarthur Senior who had been attacked by the Press. In a personal communication to the London Directors, Dawson felt himself,

"called upon to make some observations to you on the recent attack made in the Australian Newspaper upon the Committee and particularly on the character of Mr. John Macarthur....". (18)

From the period of September 30th, 1827, to January 12th, 1828, this 'breakdown', originating from and confined to the Macarthur faction, can best be traced through a chronological study of excerpts of correspondence between Robert Dawson and John and James Macarthur.

1. Port Stephens, 30th Sept., 1827,  
Robert Dawson to John Macarthur,  
"...I hope you have been able to make up your mind what sheep you can spare me...I have no wish whatever to have your sheep inspected because I know what your good stock is..." (19)
2. Sydney, 16th October, 1827,  
John Macarthur to Robert Dawson,  
"...altho' I could have wished that the three flocks of Ewes which I had tendered might have been added to the Company's flocks, yet I cannot think of sending them to you without previous examination and approval..." (20)
3. Port Stephens, 24th October, 1827,  
Robert Dawson to John Macarthur,  
"I am sorry you decline sending the ewes without having them inspected - you are aware how much I wish to have them but if it depends upon my seeing them first I must decline them from the impracticability of my leaving the Grant for some weeks at least and probably some months to come..." (21)
4. Port Stephens, 13th December, 1827,  
Robert Dawson to James Macarthur,  
"...I trust we are to have your father's sheep & I am ready to make any sacrifice for them and will send my nephew in January - or go myself the moment I can to look at them if your father would wish me to see them in preference". (22)

5. Parramatta, 16th December, 1827,  
John Macarthur to Robert Dawson,  
"...I certainly neither did nor do entertain the least desire to recede from the offer I made in the Spring and provided the sheep are inspected and approved either by yourself or your nephew... they are still at the Company's service...". (23)
6. Port Stephens, 23rd December, 1827,  
Robert Dawson to John Macarthur,  
"I will send my nephew in about a fortnight to inspect your sheep...". (24)
7. Parramatta, 12th January, 1828,  
John Macarthur to Robert Dawson,  
"My son returned yesterday and I learn that your nephew Mr. Dawson accompanied him...to inspect the three Ewe-flocks which you are desirous of purchasing from me for the Company. I have already on more than one occasion expressed to you my anxiety that the Company's stock might not be increased by purchase more rapidly than you can provide the means of affording that care and superintendence so indispensable to secure a successful and profitable result from the possession of sheep and as the report of my son upon the present state of several of the Company's flocks makes me exceedingly apprehensive that any immediate addition to these flocks might prove injudicious and unsafe I hope you will feel no disappointment that I beg to decline selling any sheep to the Company this year". (25)

This sudden decision, not to sell sheep to the Company, could possibly be explained by the fact that, on January 8th, James Macarthur had been "deputed by the other members of the Colonial Committee to lay before them a detailed report of the Company's establishment", (26) due to the brevity and infrequency of reports from Dawson. As a result of Macarthur's report the Committee, on March 1st, resolved, "that Mr. Dawson be required to repair, without loss of time, to Sydney, for the purpose of giving such further explanations, as appear to the Committee to be indispensable...". (27) Exactly one week later, having received this directive, Dawson provokingly replied,

"...I feel it to be a duty which I owe both to the Directors and myself, under such circumstances, not to answer verbal questions, or to give any verbal explanations upon the Company's affairs except at Port Stephens". (28)

Dawson's blunt statement of belief in his 'duty' to the 'Directors', and no mention of such to the Committee, coupled with his emphatic refusal to travel to Sydney, only served to worsen his already precarious position. In effect, James Macarthur was left unchallenged to put forward his list of charges based on his observations at Port Stephens. His letter, to the Committee on March 13th, asserted,

"...that the greater part of the Merinos appeared to me to be nearly in a hopeless state...The Fifth Flock were in miserable condition...(and) I am at a loss to account for the deterioration and extensive mortality...". (29)

Far more serious was the charge that Dawson had fostered the,

"...foundation of a New Settlement on the Manning River... a tract of 16,000 acres was pencilled off on the north bank and marked "Dawson"...undertaken without any references to the Interests of the Company...". (30)



Any glimmer of hope for Dawson most certainly vanished when the Committee called a meeting of the proprietors of the A.A. Company residing in Sydney. They met on March 21st, "to be acquainted with the present state of the Company's affairs at Port Stephens". (31) Towards the end of the meeting, evidence was given by the Company surveyor, Mr. Armstrong, who attested that during the previous October he had been directed by Dawson to undertake an expedition to the Manning River area on behalf of a "Mr. Guilding and principally for his benefits". (32)

Apart from the grave nature of this assertion, in relation to the latter charge of March 13th, some light is shed on Dawson's 'inability' to leave Port Stephens during the previous October for the purpose of inspecting the Macarthur flocks at Camden prior to purchase. It would appear that Dawson was more concerned with furthering his personal interests than overseeing the pressing affairs of the Company. Finally, on March 27th, the Committee recorded,

"That it is currently reported and generally understood at Port Stephens, that the late expedition to the Manning was 'got up' for the private purposes of Mr. Dawson and Mr. Guilding - that the Company's men (six) were engaged in the cultivation of Mr. Guilding's Grant... That a free man... was engaged... in the service of Mr. Guilding - that this man's wages were paid by a draft upon the Committee, which was made out by him and signed by Mr. Dawson". (33)

One day after Dawson was suspended, on April 19th, 1828, James Bowman wrote to his father-in-law, John Macarthur Senior requesting him "to undertake the general direction of the concerns of the Company's Estate, until the Directors have made such arrangements as they may deem necessary". (34) The enormity of the task undertaken by John Macarthur was realised almost immediately by this man for, on the 21st of April, he requested the assistance of a "deputation of three Gentlemen", (35) to help in the administration of the grant.

Unfortunately, for Dawson, Macarthur was placed in a position to intercept two letters written by Guilding to Dawson on April 17th, the day prior to the suspension notice. Macarthur excused himself for opening and reading the private correspondence between the two friends, in a letter to Governor Darling on May 16th, 1828. Almost apologetically he described how,

"Amidst the painful duties which circumstances have imposed upon me it would have been some relief had they been confined to the correction of negligence and mis-management. But I am concerned to say that my enquiries and other circumstances have led to the discovery of a premeditated abandonment by the Company's Agent of the trusts reposed in him and to which I am of the opinion he has been incited by a magistrate of this Territory... Between these two persons there is a variety of proofs that a mysterious Union of interests has been formed and carried to an extent which in my opinion imposes on the Committee the obligation to consult the best Law Authority in the Colony whether such acts are not cognizable by a Court of Justice. This however relates only to the extent in which the interests of the Company are involved; of its effects upon the public characters of our Magistrates, it would be presumptive of me to offer any further opinion convinced as I am that your Excellency will take every needful precaution to secure the honour of the Colonial Magistracy from degradation". (36)

Whilst it is impossible to argue against the damning evidence Guilding had inadvertently confided in his letters to Dawson, it is just as difficult to picture John Macarthur as a paragon of virtue, mindful only of protecting the 'Colonial Magistracy'. Equally, with the administration of the grant in John Macarthur's hands, the Committee must have looked more optimistically towards the future and the expected upturn in the Company's fortunes. It must have come as a great shock when the Company Secretary, Mr. W. Barton\*, reported on the 30th August, to London that,

"The numerous instances of mismanagement under Mr. Dawson have already been detailed...but in the suspension of that Gentleman and the introduction of a more efficient system - the errors that were stated to exist at that time are however to a considerable degree retained...and (since) the departure of Mr. James Macarthur no requisitions, or orders of any description are forwarded to this office...that an almost total suspension of communication with Port Stephens has taken place...(and) The business at Sydney is conducted in an equally unsatisfactory manner as at Port Stephens...It has appeared to me that the Committee have not rightly understood the nature and extent of the powers conceded to them by the Company and that this has in a considerable degree contributed to the present disorders". (37)

Whilst this letter does not offer an excuse for Dawson's failure to devote himself fully to the pursuance of the Company's interests, it most certainly suggests that there was a considerable degree of apathy, indeed negligence, on the part of the Committee in carrying out the duties to which they were assigned.

Less than one month later, Barton again took the Committee and John Macarthur to task in a most damning condemnation of their actions. In a letter to the Directors, he wrote,

"I trust they will not hesitate a moment in adopting some decisive course in the system of management that shall arrest the progress of the present disorders for I should not disclose the extent of the fears which I with others entertain were I to state less than my belief that the two present parties are destructive of the interests if not of the existence of the Company". (38)

Barton's final criticism of the Committee was communicated to London on October 9th, and whilst again not taking Dawson's side it nevertheless confirmed that he alone should not singularly shoulder the blame.

"I do believe", asserted Barton, "that Mr. Dawson has forfeited, by his conduct, the confidence which was so entirely confided in him by the Directors...Some of the charges are hastily if not erroneously made and I submit that almost the whole of the evils complained of might have been arrested under the system of management proposed by the Directors had that system been enforced". (39)

Barton's observations, therefore, offer perhaps the most objective reasoning behind the Company's failure. He, in no way, sought to excuse Dawson, for Dawson's actions in connection with the Manning River estate and John Guilding are quite inexcusable. Equally, he does not lay the blame wholly on the Committee, preferring instead, to point to the fact that they were largely apathetic towards their responsibilities until it was far too late.

The London office announced, on April 7th, 1829, that "Mr. Macarthur had given up the Superintendence of the Company's Establishment at Port Stephens..." (40) and the final chapter, in this particular episode of the Company's history, was written on June 27th, by James Macarthur when tendering his own resignation from the Committee.

This letter virtually acknowledged that all that Barton had said was true, especially in relation to the Committee which, according to Macarthur, "was not only exposed to observations from the near connexion of the members with each other, but was in reality rendered less efficient than was originally contemplated". (41) Due to the relatively vast distances separating each of the Committee members and the associated problems of communication, Macarthur could offer, as the only excuse for the Committee's apathy, the reason that,

"The confidence...reposed in Mr. Dawson from his previous reputation and the high testimonial transmitted to us by the Court of Directors, induced us to believe that there was not likely to be...any injurious consequence to the Company's interests...". (42)

In 1907, Jesse Gregson, General Superintendent of the A.A. Company from 1876 to 1905, completed the writing of the first fifty years of the Company's history. His summation, of the events under study in this essay, is, like Barton's, quite impartial and sensibly realistic.

"It may, I think", wrote Gregson, "be accepted without dispute that Mr. Dawson was not the most fortunate selection for the position he had to fill, and that in the matter of the Manning River land he was especially blameworthy - though in saying this it must not be supposed that I consider his conduct amounted to dishonesty...But admitting these faults and failures on the part of the Agent it must be remembered that he received very little assistance and advice from the local committee...I think Mr. Dawson received scant justice at the hands of the directors; for, if the so-called evidence brought before them in support of the local committee's actions be examined, nothing, in my opinion, will be found worse than errors of judgement, errors which anyone might easily have made under similar conditions and which would probably have been rectified with further experience and a little kindly advice. Let anyone who knows what country life in New South Wales at the present day consists of, consider what he might have done if, like Mr. Dawson, he had been sent to an utterly unknown district, and expected to avoid all mistakes, and within the space of two years to have formed an establishment, comprising upwards of 400 people, governed and controlled on unexceptionable principles". (43)

It is difficult not to agree with the views put forward by Barton and Gregson. Both men were intimately connected with the Company and neither had any reason to take the cause of Robert Dawson in favour of that of the Committee. Both men wrote their views at quite different times, yet their conclusions are so alike, that Dawson was largely a victim of unforeseen circumstances that the Committee was largely apathetic in assisting Dawson, which tends to make any modern day appraisal somewhat biased if blame is directed singularly towards one particular party.

# FOOTNOTES

- (1) Despatches of The Australian Agricultural Company, 1824-29, University of Newcastle Archives, Vol.A, AB5366, Inclosure No.10, p.63.
- (2) Ibid., Incl.10., p.63.
- (3) Historical Records of Australia, Series I, Vol.II, January 1823 - November 1825, Library Committee of Commonwealth Parliament, Sydney, 1917, p.563.
- (4) Despatches of The Australian Agricultural Company, op.cit., Incl.10.
- (5) Ibid.
- (6) Ibid.
- (7) Despatches of The A.A. Company, 1824-1829, University of Newcastle Archives, Vol.B, AB5367, p.541.
- (8) Despatches, Vol.A, op.cit., p.2.
- (9) Despatches, Vol.B, op.cit., p.2.
- (10) Ibid., p.5.
- (11) Ibid., p.10.
- (12) Ibid., p.39.
- (13) Ibid., p.59.
- (14) Ibid., p.187.
- (15) Ibid., p.212.
- (16) Ibid., p.253.
- (17) Ibid., p.352.
- (18) Ibid., p.281.
- (19) Despatches of The A.A. Company 1824-1829, University of Newcastle Archives, Vol.C, p.1.
- (20) Ibid., p.11
- (21) Ibid., p.13.
- (22) Ibid., p.25.
- (23) Ibid., p.28.
- (24) Ibid., p.29.
- (25) Ibid., pp.31-32.
- (26) Despatches, Vol.B, op.cit., p.451.
- (27) Ibid., p.593.
- (28) Ibid., p.596.
- (29) Ibid., p.503.
- (30) Ibid., p.528.
- (31) Ibid., p.421.
- (32) Ibid., p.424.
- (33) Ibid., p.723.
- (34) Ibid., p.749.
- (35) Ibid., p.755.
- (36) Ibid., pp.759-760.
- \* Father of E.Barton, Australia's first Prime Minister.
- (37) Ibid., p.920.
- (38) Despatches, Vol.C, op.cit., p.71.
- (39) Ibid., pp.154-155.
- (40) Despatches, Vol.A, op.cit., p.495.
- (41) Ibid., p.483.
- (42) Ibid., p.485.
- (43) Jesse Gregson, The Australian Agricultural Company, 1824-1875, University of Newcastle Archives, Reference No. AB5386, p.16.

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- Despatches of The Australian Agricultural Company, 1824-1829, University of Newcastle Archives, Volume A, Reference No. AB5366.
- Despatches of The Australian Agricultural Company, 1824-1829, University of Newcastle Archives, Volume B, Reference No. AB5367.
- Despatches of The Australian Agricultural Company, 1824-1829, University of Newcastle Archives, Volume C, Reference No. AB5368.
- Historical Records of Australia, Series I, Vol.II, January 1823- November 1825, Library Committee of the Commonwealth Parliament, Sydney, 1917.
- Jesse Gregson, The Australian Agricultural Company, 1824-1875, University of Newcastle Archives, Reference No. AB5386.