The development of coal trade in the Wollongong district of New South Wales, with particular reference to government and business, 1849-1889

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NOTE

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CHAPTER 3

RELYING UPON THE GOVERNMENT:
HARBOURS, MINES AND TRAMWAYS, 1860-1863

Between 1858 and 1860 Wollongong’s businessmen seemed to have taken control of their destiny. They had established a liberal ascendancy in local politics, contributing to the near permanent occupation by liberal administrations of the Treasury benches. Their reward had come in the Public Loans Act, passed in June 1860. This had assured the funds for the construction of a coal port at Wollongong and, with the Mount Keira Tramroad Act of May 1860, meant that their coal policy had the political as well as the financial support of the Robertson Ministry. That policy was now established as the blueprint for the economic development of the Wollongong district.

So confident were the businessmen about their policy that, once the £26,892 allocated for construction was expended, they were prepared to absolve the government of responsibility for the maintenance and future expansion of the Harbour. John and Thomas Garrett pledged the fledgling Wollongong Municipal Council to the fulfilment of this role; ‘doubtless’, they stated, the levying of local taxation for future repairs and improvements would be one of the ‘duties’ of the Council.1 It seemed perfect for the purpose, controlled by the same people who had fought for the construction of the port and against the original Osbome Wallsend tramway proposal.2 Although in its first year of existence the Council’s income totalled only £492, including government payments, with an expenditure of £1,307,3 the businessmen of Wollongong were undaunted. What was this level of revenue compared to that which would be generated by the boom that lay ahead? In any event, had not the Engineer-in-Chief for

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2 Nine aldermen were elected to the Council at the beginning of 1859. They elected John Garrett first Mayor of Wollongong. Following the next annual election George Hewlett, bank manager and postmaster who had been prominent in the opposition to the Osborne Wallsend tramway scheme, was elected Mayor. Among other aldermen on the 1860-61 Council, who were part of the group organised around the Garretts, were J. Hetherington, J. Macdonnell and George Waring. John Garrett was also an alderman in the 1860-61 Council. List of aldermen obtained from Wollongong Public Library (Reference Section).
3 *Statistical Register of New South Wales*, 1860.
Harbours and River Navigation himself stated in his report on the Harbour that the estimate of £26,892 was for a port able to cope with any expansion of exports for some years to come?

Late 1860 was not, however, a happy time for the Garretts and their closest supporters. In September the Department of Public Works called for tenders for the completion of the harbour works; the closing date was 13 November. It became evident that there was a difficulty when the closing date was extended to 11 December and again to 5 March 1861. In April 1861 the Minister for Public Works, William Arnold, finally admitted that all of the tenders had been above the sum voted by Parliament. He released no figures. In December 1861 the Empire, a Sydney newspaper, claimed that only four contractors had submitted tenders and that the lowest was for more than twice the Departmental estimate. Consequently, 'the acceptance of any one of them was out of the question.' Not until fifteen months later did Arnold confirm that this had been the case.

In the midst of this uncertainty Wollongong's liberals found themselves entangled in a general election. The Legislative Assembly had rejected the centrepiece of the Robertson Ministry's land reform programme—free selection before survey. On the Premier's advice the Governor dissolved the third Parliament on 10 November. This was an election of considerable importance. For years the 'little men' of New South Wales had demanded legislation that would allow them a share of the land from which they had been excluded by a handful of wealthy squatters like Henry Osborne. In 1861 the Order in Council which had allowed the squatters to secure 14 year leases for a small annual fee would expire. Consequently, the Parliament would have to decide whether the Colony's Crown Lands were to remain in the grip of the wool kings or whether they would be opened to small scale farmers and agriculturalists. The Robertson Ministry was returned in triumph:

Of the former members [of the Assembly] nine were returned who opposed free selection and at least forty-five who supported it. Forty per cent of

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4 *New South Wales Government Gazette*, No.175, 21 September 1860, p.1785.
5 ibid., No.201, 6 November 1860, p.2121.
6 ibid., No.244, 28 December 1860, p.2538.
7 *Illawarra Mercury*, 5 April 1861.
8 *Empire*, 9 December 1861.
9 *Sydney Mail*, 14 March 1863.
seats were won by new men, most of whom favoured free selection. Robertson had won a massive mandate.10

The electors of Wollongong contributed to that mandate by also returning a candidate pledged to support free selection before survey. He was Robert Haworth, proprietor of the 1000 acre Kembla Grange estate south of Wollongong, a director of the Illawarra Steam Navigation Company, grain merchant, tannery owner and owner of the Queen’s Hotel, one of the town’s largest.11 His victory over the Garrett candidate, John Stewart, a veterinary surgeon and Mayor of Central Illawarra municipality, just south of Wollongong, who also contributed editorials to the Illawarra Mercury,12 broke the dominance of the Garrett liberal ‘machine’. The sitting Member, Samuel Gordon, a Sydney businessman who was close to Charles Cowper,13 had been endorsed by the Garretts for the October 1859 by-election to replace John Hargrave who had been appointed to the Legislative Council as the Representative of the Cowper Government. Gordon did not recontest Illawarra in 1860. Along with his ‘liberal and progressive views’, he also held a 50,000 acre squatting run on the Murrumbidgee.14 He would support free selection only after official land surveys had been conducted,15 and saw no hope of winning Illawarra on such a platform.16

Both Stewart and Haworth promised to support the Ministry’s land policy.17 The Garretts backed Stewart because they believed that Haworth’s political position was ill defined and that his return might therefore jeopardise the district’s close relationship with the Ministry. ‘In general politics,’ they stated, ‘he has been on all sides . . . as personal predilection dictated.’18 Haworth had, in fact, been seeking to overthrow ‘the Garrett clique’, and to that

15 Illawarra Mercury, 20 November 1860.
16 ibid., 7 December 1860.
17 ibid., 30 November & 4 December 1860.
18 ibid., 24 October 1859. This was when Haworth was a candidate at the Illawarra by-election of October 1859.
end had provided the capital to establish the *Illawarra Express* in 1859 as a rival to the *Mercury*.\(^{19}\) His campaign organiser for the 1860 election was the editor of the *Express*, Frederick Sinclair.\(^ {20}\)

In 1859 Haworth had failed by only 10 votes to defeat Gordon,\(^ {21}\) but in 1860 he inflicted on the Garrettts their first electoral setback in almost three years and in five elections. On 12 December 887 of Illawarra's 896 registered electors, all of them residents,\(^ {22}\) cast formal votes: 476 for Robert Haworth to 411 for John Stewart.\(^ {23}\) Haworth's victory was the culmination of what had been a steady decline in the Garrett liberal vote since John Hargrave's triumph at the by-election of March 1859 (see Table following).

Falling support for the Garrett liberals did not mean a transfer of support to conservative candidates. Conservatism in Wollongong had been crippled when Henry Osborne was removed from the Legislative Assembly in January 1858; it was rejected in June 1859 when John Hargrave defeated Francis MacCabe. Haworth, who provided the only opposition to the Garrettts in October 1859 and again in December 1860, was moneyed but not wealthy, and his support for Robertson's land reforms placed him among the most advanced liberals in New South Wales.

The Garrettts had silenced conservatism in Wollongong. Liberals had possession of the field, and the 1860 general election, in which both candidates had supported Robertson's land programme, confirmed the end of the liberal-conservative cleavage in the district's politics. From this point the coal trade and the Harbour, rather than questions of grand political principle, would dominate public debate. In this way the electors of the district were contributing to a shift in the political life of New South Wales. The near complete acceptance by the Colony's electors of the Robertson Ministry's land policy was the culmination of a decade of struggle by liberals and radicals to wrest Parliamentary control from the

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\(^ {19}\) The quotation is from a comment by a Mr. Milford, a local solicitor, at Haworth's nomination in 1859. On that occasion Milford withdrew his candidacy in favour of Haworth's. See *ibid.*, 27 October 1859. On Haworth's *Illawarra Express* connection see ibid., 4 December 1860. Only one issue of the *Express* survives, held by the Mitchell Library in Sydney. At the time of writing it was unavailable to researchers because of its fragile condition.

\(^ {20}\) *ibid.*, 4 December 1860.

\(^ {21}\) Gordon had taken the seat by 389 votes to 370. See *ibid.*, 31 October 1859.

\(^ {22}\) *Statistical Register of New South Wales*, 1860. Until 1893 non-residents could vote in electorates where they held property above a certain value.

\(^ {23}\) *Illawarra Mercury*, 14 December 1860.
PERCENTAGE OF VOTES GOING TO 'GARRETT LIBERAL' CANDIDATES AT ELECTIONS FOR THE
LEGISLATIVE ASSEMBLY OF NEW SOUTH WALES IN THE WOLLONGONG DISTRICT, 1858-1860

<table>
<thead>
<tr>
<th>Polling Places</th>
<th>22 January 1858 (GE)</th>
<th>21 March 1859 (GE)</th>
<th>15 June 1859 (GE)</th>
<th>28 October 1859 (BE)</th>
<th>12 December 1860 (GE)</th>
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<td>Bulli</td>
<td>-</td>
<td>-</td>
<td>62.0</td>
<td>59.3</td>
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<td>Cabbage Tree</td>
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<td>-</td>
<td>64.6</td>
<td>38.2</td>
<td>33.7</td>
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<tr>
<td>Wollongong</td>
<td>72.3</td>
<td>99.5</td>
<td>58.9</td>
<td>48.6</td>
<td>45.3</td>
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<tr>
<td>Charcoal</td>
<td>-</td>
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<td>79.1</td>
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<td>Dapto</td>
<td>43.6</td>
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<tr>
<td>Avondale</td>
<td>-</td>
<td>-</td>
<td>78.0</td>
<td>62.0</td>
<td>60.9</td>
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<tr>
<td>Macquarie River</td>
<td>-</td>
<td>-</td>
<td>67.8</td>
<td>81.4</td>
<td>69.4</td>
</tr>
<tr>
<td>Shellharbour</td>
<td>63.8</td>
<td>100.0</td>
<td>-</td>
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<tr>
<td><strong>Wollongong District</strong></td>
<td><strong>64.2</strong></td>
<td><strong>99.7</strong></td>
<td><strong>61.7</strong></td>
<td><strong>51.7</strong></td>
<td><strong>46.3</strong></td>
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**SOURCE:** Calculated from election results in Illawarra Mercury, 28 January 1858; 24 March, 16 June and 31 October 1859, and 14 December 1860.
'squattocracy'. Victories during the 1850s had included an elective lower house of Parliament (the Legislative Assembly), manhood suffrage, the abolition of property qualifications for Members of the Assembly, and vote by ballot. The movement to 'unlock the lands' had been bitterly opposed by the squatters but Robertson's win in 1860 demonstrated just how little public support they could expect for the defence of their privileges. As in Wollongong, there was now no prospect in New South Wales for Parliamentary politics centred on liberal and conservative parties, each with its own electoral base. Instead, as C.N. Connolly has noted, factionalism was about to enter its golden age:

Liberalism and conservatism became irrelevant and politics revolved increasingly around personalities, public works, patronage and the pursuit of power for its own sake. The politics of reform, which had dominated the early years of responsible government, were superseded by the politics of the faction system.

The Wollongong district exemplified this to an unsurpassable degree. In some parts of the Colony the fight between privilege and opportunity continued in the clashes between squatters and selectors. However, there was no scope in the Wollongong district even for this: it had no squatters; it was unsuitable for sheep farming (as at 31 March 1861 it contained only 299 sheep); over 60 per cent. of its Crown Land had been alienated and was held by perhaps the same proportion of electors, and the remaining land was unsuitable for flocks, herds or small scale farming and agriculture.

If there was nothing left in the district worth fighting over, there was something worth fighting for. For nearly four years the Garretts had used the Mercury to convince the inhabitants that the opening of the district's coal seams to owners of capital would enrich them all. It was the prospect of being part of the first generation to benefit from this that kept the

24 C.N. Connolly, 'The Middling-class Victory in New South Wales, 1853-62: A Critique of the Bourgeois-Pastoralist Dichotomy.' Historical Studies, 19 (76), April 1981, p.385. See also P. Loveday & A.W. Martin, Parliament, Factions and Parties: The First Thirty Years of Responsible Government in New South Wales, 1856-1889. Melbourne University Press: Carlton, Victoria 1966, pp.24-6: 'factions, not parties, had developed to give order and meaning to the wrangle for political power. And when the liberal-conservative debate died away, it was the survival of these factions which underlay the continued and successful operation of responsible government'.

25 Statistical Register of New South Wales, 1860. Calculated from figures for north-east portion of County Camden (Wollongong) and south-east portion of County Cumberland (Parish of Southend).

26 ibid. The proportion of electors holding land was calculated using the number of landholders holding more than one acre as at 31 March 1861 and the number of registered electors as at 12 December 1860 in the seat of Illawarra (550 and 896, respectively); it assumes that all of the landholders were enfranchised (that is, males, 21 years of age or over).

27 ibid.
Garrett's keenly interested in the future of the Wollongong district, despite the 'loss' of Illawarra to Robert Haworth.

The immediate objective, then, was the commencement of the harbour works. First, though, there had to be a resolution of the difficulty with the tenders that had arisen before the general election. Haworth did his bit by honouring his pledge to support Robertson's land legislation. On 7 February 1861, when the House divided on the free selection clause of the Crown Lands Alienation Bill, he voted with the Ministry. The loss of Illawarra was personal, not political, and the Cowper-Robertson Ministry found in Haworth a consistent supporter. Of 257 divisions in which he voted during the life of the Ministry he supported it on 219 occasions. (85.2 per cent.) As a landowner and businessman, Haworth had at least as much to gain from the success of the Garretts' coal policy as they had. In particular, as a shareholder and director of the Illawarra Steam Navigation Company, he had a close interest in anything to do with the improvement of Wollongong Harbour.

In any case, the election was over and the Garretts looked to their real and immediate interests. The new Parliament was barely three weeks old when, in February 1861, the Illawarra Mercury attacked the Department of Public Works for its inability to secure a contractor for the Harbour works. Noting that the tenders were 'much beyond' the amount voted by Parliament, the Garretts warned the Cowper Ministry not to tamper with either the estimate or the 'extent and nature of the proposed work at Wollongong.' The estimate, they reminded it, had been arrived at after 'careful consideration and calculation' by the Engineer-in-Chief for Harbours and River Navigation. If the money voted was not sufficient to carry out all of Moriarty's recommendations, the Garretts advised, 'then let the Government come boldly down to the House and ask for the additional sums required.'

Bold advice, but the government had been considering its options on Wollongong Harbour, and within four days of admonishing the Ministry, the Garretts were in possession of

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29 Calculated from Business of the Legislative Assembly of New South Wales, during the Session of 1861; . . . of 1861-2; . . . of 1862 & . . . of 1863-4. In Votes and Proceedings of the Legislative Assembly, Session 1861, Vol.1; Session 1861-2, Vol.1; Session 1862, Vol.1 & Session 1863-4, Vols. 1 & 2.
30 Empire, 11 May 1860.
31 Illawarra Mercury, 1 February 1861.
an ‘understanding’ that in the event of a contractor not being found the Department of Public Works would itself undertake the project. In terms of expediting the work the Garretts thought this a reasonable concession: ‘We think this course is highly probable, as they have the necessary plant in possession, which, to new contractors would form a serious item.’ They would soon have cause to question this benign view of the government’s action, but in the meantime it was welcome news, for Wollongong’s businessmen were experiencing difficult times.

The district economy was highly dependent upon butter exports, and prices were falling. In the first half of 1861 the situation in Wollongong was being described as one of ‘commercial depression’:

where the inhabitants of any locality are dependent upon one article of commerce, and that article sinks below a remunerative price, a general depression must be felt throughout all classes.\(^33\)

Rising unemployment\(^34\) was beginning to affect local business houses, and then, in mid March, the Government finally rejected all tenders for the harbour works as being too far above Moriarty’s estimate.\(^35\) Even the Garretts were becoming nervous and the Mercury complained of ‘months of delay’ and raised the fear that the Government might actually postpone the works for an indefinite period.\(^36\) This, in the midst of an economic downturn, they could not countenance. The speedy commencement of construction had become necessary as a relief work for the unemployed and, hence, for local business. Though, as the Garretts put it:

It is fortunate that this is a matter which affects the interests of all classes of the community, and consequently one in which no diversity of opinion can exist.\(^37\)

There could, therefore, be only one response. The inhabitants had to be turned out at public meetings, to demonstrate to the Ministry just how important the Harbour works were to them. This occurred on 25 March. As had been the case since early 1858, when they had been enlisted to give electoral weight to the campaign to have the Parliament finance the work of

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\(^32\) ibid., 5 February 1861.

\(^33\) ibid., 7 June 1861.

\(^34\) ibid., 22 March 1861.

\(^35\) ibid., 19 March 1861.

\(^36\) ibid., 22 March 1861.

\(^37\) ibid.
harbour construction, the people were addressed by leading local businessmen and landholders. Appropriately, the first speaker was Judge Robert Owen, who had displaced Henry Osborne as the Member for East Camden in January 1858 and who owned a 58 acre coal property at Broker’s Nose, north of Wollongong. The Harbour, he told them, was their only hope. Once improved, it would expand mining and agricultural exports and double the population. Charles Smith, the largest landowner in the vicinity of the town, added that such a population increase guaranteed a building boom, with ‘artisan landholders and all classes’ being direct beneficiaries. Alderman George Hewlett, a bank manager, emphasised that seamen from the trading vessels which would throng the new Harbour would spend locally, giving a general impetus to the trade and prosperity of the district. Finally, Frederick Sinclair of the Illawarra Express, reminded the meeting of the argument which underpinned all of these visions of a future rich in money: the construction of a coal port that would allow local mines to undercut their Newcastle rivals in the Melbourne market. If, claimed Sinclair, the Harbour was enlarged sufficiently to allow a ‘Melbourne steamer’ to sail directly from Wollongong to Melbourne then Wollongong coal could be sold there at five to ten shillings a ton less than that brought from Newcastle. The meeting concluded with the unanimous adoption of a memorial to the Governor, urging him to have the Ministry take the necessary steps to commence the harbour works immediately.

A new organisation, the Harbour Improvement Committee, was formed to make arrangements for forwarding the memorial. It might have been expected that the Committee would include the recently elected Member for Illawarra in any deputation appointed to convey the feelings of the inhabitants to His Excellency. The Committee, however, was a direct descendant of the old Illawarra Liberal Political Association’s Wollongong Harbour Committee and like it an organisation through which the Garretts sought to control local politics. Hence, there was no place in it for Robert Haworth. The Committee appointed George Waring,

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38 F. Ryan, My Fairy Meadow: My Memories of My Early Life in Fairy Meadow Incorporating Many Memories of Historical Interest During the First Century of the Area’s Growth and Development. The Author: Wollongong 1986. (Parish map following p.61).
39 Illawarra Mercury, 26 March 1861.
40 ibid., 12 April 1861.
solicitor, gentleman of independent means, and Mayor of Wollongong, and John Stewart to wait on the Governor. In the meantime Haworth had asked the Minister for Public Works, William Arnold, what the Government’s intentions were with regard to the Harbour works. Arnold was equivocal. He reiterated that the tenders were too high and said that the Government was, therefore, considering whether to let the work out in a series of small contracts or to have its own Department of Public Works perform the whole. He could not say when a decision might be made; the Government was ‘making enquiries’. The Garretts’ ‘understanding’ with the Ministry was disintegrating as the latter increasingly appeared unable to repay its political debt to Wollongong’s businessmen.

The Ministry had not acted in good faith. The lowest tender received was for £80,000, three times Moriarty’s estimate of £26,892. Moriarty was a capable engineer and it is inconceivable that his estimate could have been so far out of touch with the requirements of the work. He was driven by two imperatives. First, to produce plans consistent with his ability and professional standing. Second, to produce an estimate of expenditure that stood a chance of getting through an Estimates debate, in order that the Ministry’s political debt to Garrett and company might be paid off. The latter consideration appears to have carried more weight. In any case, there was little prospect of the Parliament agreeing to meet a shortfall of at least £53,000 for what one Member had described in 1860 as ‘so comparatively insignificant a place’.

Undeterred, the Garretts urged the people of Wollongong to maintain the pressure on the Government by signing the memorial as numerously as possible. This was aided by a meeting of ‘working men’ which requested the Government to fund local relief works for the unemployed. Finally, on 17 April, Waring and Stewart handed the memorial to the

42 ibid., 19 April 1861.
43 ibid., 5 April 1861.
44 ibid., 25 April 1862.
45 William Walker, Member for Windsor, during the debate on the Public Loans Bill of 1860. Quoted in Sydney Morning Herald, 25 May 1860.
46 Illawarra Mercury, 5 April 1861.
47 ibid., 19 April 1861.
Governor, Sir John Young, and took the additional step of waiting on the Minister for Public Works to seek an assurance that there would be no further delay in the expenditure of the Harbour vote. The matter remained there until early June when Edward Moriarty arrived in Wollongong to take preliminary steps for the commencement of the harbour works. He was accompanied by John Gibbons, who was to be the chief superintendent for the project. John and Thomas Garrett expressed relief that the works were at last about to begin. Their real troubles, however, were also about to begin, as was Wollongong's long relationship with the Department of Public Works.

Despite the presence of Moriarty the Government had not exactly decided to underwrite the construction of Wollongong's coal port. Gibbons was not an official of the Department of Public Works. He was a private contractor with whom the Department had reached an agreement which, although requiring the construction of the Harbour according to Moriarty's original specifications, made it very much his interest to complete the work within the original estimate of £26,892. In addition to his services Gibbons was to provide some of the necessary plant, for which he would receive a five per cent. commission on the total outlay, plus a bonus linked to whatever savings he could make on the Engineer-in-Chief's estimate. Furthermore, it was expected that the whole of the work would be completed within 18 months. These expedients were forced upon the Ministry. The Parliament was unlikely to authorise additional funds, amounting to twice the original estimate. Thus, someone had to be found who, with the right incentive, would discharge the Ministry of its debt to Wollongong's businessmen as cheaply and as quickly as possible. Unfortunately for all concerned the arrangement with Gibbons and the inevitable pennypinching that accompanied it, allied to the unrealistic completion schedule, was to bring the works to a state bordering on chaos.

48 ibid.
49 ibid., 7 June 1861.
50 Information given by the Minister for Public Works on 1 March 1864 in reply to a question from Thomas Garrett, then Member for Shoalhaven. Votes and Proceedings of the Legislative Assembly, Session 1863-4, Vol.1, p.1179.
51 Empire, 9 December 1861: a 'confident expectation is entertained' that Gibbons would complete the work at a cost 'considerably below the originally estimated sum.'
52 ibid.: work had been going on for about four months and only another nine months, owing to the 'skill and energy' of Gibbons, would see it completed.
That, however, was in the future. With the commencement of the works imminent, no one in Wollongong was asking how Gibbons had come to be there. He was going to build the port that would make them prosperous and what mattered was that he was there. On hearing that the Minister for Lands, John Robertson, was arranging for his Department to supply the wagons needed for the excavation of the new basin the Garretts could barely conceal their glee: ‘This looks like business.’ Gibbons was expected to take up residence in Wollongong from 30 July and the businessmen of the district combined to ensure that everything needed by the chief superintendent was on the site by that date. Thomas Hale despatched two of his vessels to Newcastle to fetch some of the plant, a gesture matched by the Illawarra Steam Navigation Company, which sent its steamer, the Kembla, on the same errand. The Harbour itself had become the scene of intense activity as blacksmiths’ shops were erected and surveyors marked out lines for the excavations and a sea wall. A tender for the supply of blasting powder was accepted by the Government in mid August. The works were at last on the verge of commencement, and the Garretts’ optimism broke all bounds:

Illawarra’s star of prosperity is in the ascendant, and . . . a few more years will find her one of the most prosperous districts in New South Wales.

The omens were propitious. The commencement of the works coincided with a general strike at the Newcastle mines, in the last week of August. For two months, as the northern proprietors set about smashing the recently formed miners’ union, output ceased altogether in the north. In 1860 the Newcastle mines had produced 91 per cent. of the Colony’s coal and this lengthy halt to production gave the Wollongong coal trade an ‘unusual impetus.’ In the first week of the strike desperate consumers pushed up the price of Wollongong coal from 12 to 40 shillings a ton.

53 Illawarra Mercury, 16 July 1861.
54 ibid., 7 June & 30 July 1861.
55 ibid., 26 July 1861.
56 ibid., 30 July 1861.
57 ibid.
58 New South Wales Government Gazette, No.193, 13 August 1861, p.1731.
59 Illawarra Mercury, 6 August 1861.
61 Calculated from *Statistical Register of New South Wales, 1860.*
62 Illawarra Mercury, 27 August 1861.
As the Newcastle miners returned to work, ending the windfall profits enjoyed by the Wollongong mines, Gibbons began to lose control of the Harbour works. In November most of the men went on strike, claiming that their last two pays had been calculated at the rate of six shillings a day instead of the agreed seven. They demanded eight shillings a day until the deficit was made up. In addition, the navvies claimed that they were overcharged for powder and tools.\textsuperscript{63} Gibbons' effort to cut costs by screwing down wages and thus maximise his bonus had borne its first fruit. On this occasion he was able to talk the men into returning to work within days.\textsuperscript{64} He did not, however, change his approach to the contract and, following a series of minor stoppages, the entire project ground to a halt in February 1862. At the end of the second week of the month almost all of the men employed on the construction of one of the breakwaters and on the excavation of the inner basin struck for a wage increase; those who chose not to join the strikers were dismissed by Gibbons anyway. On 17 February the labourers employed on the deepening of the existing outer basin stopped work and were joined by the blacksmiths and other artisans.

The Garretts felt that the time had come for the problems at the works to be resolved, otherwise 'week after week we are to hear of strikes or partial strikes, until they at length culminate in a total stoppage of all work.' No blame, they stated, could attach to the workmen, some of whom were receiving as little as three shillings a day; 'the reduction of wages to a starvation point' could not be tolerated. Gibbons blamed his labour troubles on the weather, the high cost of horse traction, and the failure of the Department of Public Works to provide machinery adequate to the task.\textsuperscript{65} The latter, he claimed, had made the project so labour intensive that he could not pay the agreed wage rates if he was to keep within the sum voted by Parliament.\textsuperscript{66}

These explanations were accepted by the Garretts, who recommended a further public meeting to petition the Government on Gibbons' behalf.\textsuperscript{67} At the meeting, on 27 February, the Cowper Ministry was subjected to severe criticism, particularly by William Robson of the

\begin{footnotes}
63 \textit{ibid.}, 19 November 1861.
64 \textit{ibid.}, 22 November 1861.
65 \textit{ibid.}, 18 February 1862.
66 \textit{ibid.}, 22 February 1862.
67 \textit{ibid.}, 18 February 1862.
\end{footnotes}
Osborne Wallsend mine. John Garrett and Thomas Hale, though sharing in much of what Robson had to say, apologised for the Government. The Department of Public Works, they said, had done Wollongong a favour by taking on the Harbour works when it was found that the tenders were too high; machinery had to be brought in from all over New South Wales, something that took time. Nonetheless, there was no dissent from the decision of the meeting to send a petition to the Minister for Public Works.68

The Minister's reply was swift and acerbic. In early March he informed the Mayor of Wollongong that the requisite plant was now available but argued that the stoppage was the result not of equipment shortages but of the refusal of the men to work at 'reasonable rates'.69

Arnold was buying his Department and the Government 18 months of comparative peace before their arrangement with Gibbons finally fell apart. This would do. As long as the works kept going no one was going to ask serious questions about Gibbons' contract for, as the Garretts observed, 'the opening of new coal mines along the coast renders the speedy completion of the harbour of the utmost importance.'70

Despite the problems at the Harbour, the local coal trade was exhibiting signs of growth. Osborne Wallsend was firmly established as the district's premier mine and, when its tramway reached the Harbour in March 1861 the workers were banqueted by their employer.71 Thomas Hale's Bellambi mine had developed spectacularly since December 1857 when the first coal was taken in bullock drays through the bush to the beach, to be put aboard a small cutter lying off the coast.72 His horse tramway, constructed at a cost of £3000, and jetty, built to a length of 500 feet in June 1858 and extended to 579 feet in 1859, had reduced the cost of taking coal the three miles to the ships from seven shillings to one shilling a ton:73 in addition, the deep waters of Bellambi allowed ships of a size sufficient to engage directly in the intercolonial

68 ibid., 28 February 1862.
69 Quoted in ibid., 14 March 1862.
70 ibid., 18 February 1862.
71 ibid., 5 March 1861.
73 See Sydney Morning Herald, 20 December 1860 (paper given by Hale to the Philosophical Society in Sydney, about his tramway) and Cousins, op.cit., p.166.
trade to berth at the jetty in calm weather. The ‘unusually clean’ coal\textsuperscript{74} won praise and markets in Sydney, Melbourne and Adelaide and as far afield as India, China and San Francisco.\textsuperscript{75} Consequently, in 1859, 1860 and 1861 production at Bellambi increased by 164, 42 and 61 per cent., respectively; far above the figures for New South Wales generally.\textsuperscript{76}

Other mines were being developed. In August 1861 Robert Taylor and Christopher Walker, in partnership with Robert Longmore, opened a small mine about one-and-a-half miles south of Hale’s mine. Taylor and Longmore were farmers,\textsuperscript{77} and it was Walker’s second attempt to open a mine at Bellambi. In August 1858 he had, possibly in partnership with Taylor, commenced mining about three-quarters of a mile north of Hale’s mine, on land belonging to a Sydney doctor, Bartholomew O’Brien.\textsuperscript{78} Despite the Garretts’ insistence that it was further confirmation of the massive coal resources of the district,\textsuperscript{79} the mine, known as Dr. O’Brien’s, survived less than 12 months. In the last months of 1858 200 tons of coal were produced and in 1859 only 1033 tons (1.2 and 4.2 per cent., respectively, of district production)\textsuperscript{80} when, after getting 300 feet into the seam, a fault was struck and the mine


\textsuperscript{75} Hale had stated at the opening of his mine that he intended to export direct to Melbourne. See \textit{Illawarra Mercury}, 16 November 1857. In 1859 he received fulsome praise from several of his Sydney customers. Champion Wetton, Secretary of the Royal Mail Steam Packet Company, pronounced the coal ‘highly satisfactory’, adding that ‘I have considered myself justified in recommending the Directors of this Company, in the event of our contracting for the Panama line, to make no further shipments of Welsh coal for the outside service.’ Wetton’s compliment was slightly backhanded; he said that while Bellambi coal was not equal to the ‘BEST’ Welsh coal ‘as consumed fresh ... on our Atlantic lines’, it was nonetheless ‘little if at all inferior to coal shipped from home, four or five months on the passage, probably heated more or less, and then stored here two or three months longer.’ Francis Napier & Company’s Vulcan Foundry found that ‘for steam purposes, forges, and for making coke, it is superior to any other coal in the colony.’ Thomas Croft & Son of the Balmain Steam Saw-Mills said it was ‘superior to any other in New South Wales for steam purposes.’ Quoted in \textit{ibid.}, 7 April 1859. In 1861 Hale won the contract to supply the Botany Water Works, the City Engineer considering the coal better than that from Newcastle. See \textit{ibid.}, 11 January & 27 August 1861. This was also the opinion of J.H. Thomas, Engineer & Locomotive Superintendent of the Great Southern, Northern and Western Railways. See \textit{ibid.}, 27 August 1861. In 1860 Bellambi coal was fetching a higher price in San Francisco than was that from Newcastle. See \textit{ibid.}, 2 October 1860. In the same year Hale’s coal was selling at Bombay for five rupees above the rest, despite a ‘glut’ there of English coal. See \textit{ibid.}, 21 December 1860.

\textsuperscript{76} Calculated from figures in \textit{Statistics of New South Wales, from 1849 to 1858, from 1850 to 1859, 1860, and 1861}. The percentages for New South Wales were 42.4, 19.7 and -7.3 (the effect of the 1861 strike at Newcastle).

\textsuperscript{77} \textit{Illawarra Mercury}, 10 March 1859 & 4 February 1862.

\textsuperscript{78} \textit{ibid.}, 5 August 1858. No mention was made of Taylor in this report, which referred only to ‘the Messrs Walker’. O’Brien lived in Sydney. In June 1858 he appointed Charles Throsby Smith to act as his ‘Attorney’ in Wollongong. This empowered Smith to act on ‘all applications for land, to cut timber, or work coal.’ See \textit{ibid.}, 28 June 1858.

\textsuperscript{79} \textit{ibid.}, 5 August 1858.

\textsuperscript{80} Calculated from figures in \textit{Statistics of New South Wales, from 1849 to 1858 & from 1850 to 1859}. 
abandoned. The new mine, generally referred to as ‘Taylor and Walker’s’, got off to a better start. In 1861 1131 tons of coal (3.2 per cent. of district production) were produced, rising to 7102 tons (14.5 per cent. of district production) in 1862. This encouraged the partners to increase their investment and in October 1862 they sought and gained Parliamentary approval to take a tramway through private lands to Bellambi Harbour, from where the coal was to be shipped from a 500 feet long jetty.

Taylor and Walker were the kind of local men that the Garretts liked to encourage. Thomas Garrett had known them for many years and described them as ‘working miners’. Although men of little capital who worked their mine by themselves, they were putting all they had into proving and developing the coal resources of the district and might in the future become a source of employment and wealth for others.

During 1861 two other mines were opened: at Mount Pleasant, less than half-a-mile north of the Osborne Wallsend mine, and at Bulli, just north of Hale’s Bellambi mine. The Mount Pleasant mine was commenced by two Wollongong men, Patrick Lahiff, a stonemason, and Benjamin Fawcett, an engineer and surveyor. Lahiff was the senior partner, for it was to him that John Plunkett, the landowner, had leased the property for 10 years and three months from 1 June 1861 at £200 a year. The mine began on a shoestring investment. As one observer recalled:

The coal measure cropped out to the surface to a depth of several feet; believing that they had a good prospect before them, they at once opened a tunnel, and with little capital, but willing hearts, and a bright prospect before

82 Calculated from figures in Statistical Register of New South Wales, 1861 & 1862.
83 Their private Bill went before the Legislative Assembly on 2 October 1862 and received assent on 17 December 1862. See Votes and Proceedings of the Legislative Assembly, Session 1862, Vol.1, p.499 and Taylor and Walker’s Railway Act 26 Vic. 1862.
84 New South Wales Government Gazette, No.196, 28 October 1862, p.2095.
85 Quoted in Sydney Morning Herald, 25 October 1862. Garrett was speaking during the debate on Taylor and Walker’s Railway Bill.
86 In January 1864 the Examiner of Coal Fields for Wollongong said that since the Coal Fields Regulation Act of 1862 had come into operation, ‘only one or two men at a time have been employed in the mine.’ Inspectors of Coal Fields. (Proceedings of.), p.2. In Votes and Proceedings of the Legislative Assembly, Session 1864, Vol.1.
87 Illawarra Mercury, 19 October 1923 (‘Reminiscences of Illawarra. From the Diary of a Pioneer.’)
88 ibid., 2 October 1860 & 18 June 1861.
them, they employed bullock teams to draw the coal down the mountain by means of sledges—a system which led visitors to pronounce...[Lahiff]...to be then nothing more than a madman.90

As Lahiff had remarked in 1859, ‘I am not a rich man; I labour for my living.’91

The first Mount Pleasant coal was supplied to the Wollongong Gaol, near the Harbour, on 12 July 1861, just as the Illawarra Mercury was informing its readers that Wollongong coal was, according to the Sydney City Engineer, 30 per cent. better for steaming purposes than any other New South Wales coal.92 Lahiff and Fawcett’s problem, however, was to get their coal into the market in quantity at a competitive price. Sledges lowered down mountainsides would achieve neither. Knowing that ‘they had but little capital’, the two men had intended to form a public company93 and then construct a tramway to Wollongong Harbour, lowering the cost of transporting Mount Pleasant coal to that of its neighbour, Osborne Wallsend. By September, however, the partners admitted that they had failed to attract any expressions of interest.94 Fawcett left the problem with Lahiff and returned to the security of life as an engineer and surveyor; he prepared the plans for Taylor and Walker’s tramway95 and, finally, in 1862, was appointed by the Wollongong Municipal Council to the post of ‘Inspector of Slaughterhouses, and of Cattle intended for slaughter.’96 Lahiff persevered and was soon rewarded for, by early 1862, his interest in the ‘Mount Pleasant Coal mines’97 was taken over by James and William Byrnes, merchants of Sydney.

The Mount Pleasant mine was only one part of the Byrnes’ empire. Starting at Parramatta, west of Sydney, as storekeepers, they owned the largest store in the district, and James began to run passenger steamers to Sydney.98 Between 1847 and 1855 they operated one of the Colony’s largest woollen mills, at Parramatta; the mill closed because of labour

90 Illawarra Mercury, 7 June 1872.
91 ibid., 14 March 1859. Letter to the Editor, from Lahiff.
92 ibid., 19 July 1861.
93 ibid., 10 September 1861.
94 ibid.
95 ibid., 19 July 1861.
97 The name given to the mine in The Mount Pleasant Tramroad Act of 1862, 26 Vic. 1862.
shortages caused by the goldrushes but re-opened in 1860. As general merchants they won contracts for the provision of ‘Articles of Supply’ (food, coal, candles, soap, wine, etc.) to a number of government institutions. Through J. and W. Byrnes and Company of Sydney, and Byrnes, Bassett and Company of Rockhampton, Broad Sound and Port Denison, they exported wool to London in their own vessels. In 1862 James figured in the formation of the Pacific Fire and Marine Insurance Company of Sydney, which had a share capital of £500,000; he was a provisional director and subsequently director of the Company.

Political honours accompanied business success. William was appointed to a seat in the Legislative Council in 1858, which he held until his death in 1891. James entered politics as a liberal, representing Parramatta in the Legislative Assembly from 1856 until 1872. In 1862 he was elected Mayor of Parramatta, a post he held until 1866.

Although now the ‘owners’ of the Mount Pleasant mine, the Byrnes’ Illawarra Coal Company was in fact a blend of mainly Sydney capital and of Wollongong capital and expertise. Lahiff remained as manager and retained a financial interest in the mine. Robert Haworth and William Speer, a Sydney investor, provided the rest of the capital. James Byrnes and Haworth made careful preparations for the entry of their Company into the Wollongong coal trade by poaching for it a major local contract. Haworth had been a director of the Illawarra Steam Navigation Company since 1858, and Byrnes had been a shareholder since at least 1859 and was elected to the board in November 1861. The Company had...
been an important customer for the Osborne Wallsend mine; in May 1859 it was said that the Company ‘takes the whole of the produce of the Mount Keira Mine.’\textsuperscript{110} Shortly after Byrnes joined Haworth on the board that arrangement ceased. On 31 January 1862 the Company advertised for tenders for the supply of 800 tons of coal a month.\textsuperscript{111} Within three weeks the contract was awarded to the ‘recently formed’ Illawarra Coal Company,\textsuperscript{112} an achievement all the more remarkable for the fact that the Mount Pleasant mine would not be connected to Wollongong Harbour by a tramway until December 1862.\textsuperscript{113}

The Bulli Coal Mining Company, originally the Bellambi and Bulli Coal Company, formally came into existence on 1 October 1861 with the signing of a Deed of Settlement by Robert and Thomas Black, farmers of Gerringong, south of Kiama; Bartholomew O’Brien, who had leased to Taylor and Walker their first coal land in the Bellambi area, and James and William Somerville, both farmers in the Bulli area. These five owned the 588 acres of land on which the Bulli mine was to be opened, in return for which they each received 200 of the Company’s 3000 £10 shares and a dividend of seven \textit{per cent.} a year until the capital was fully subscribed. Once this had been achieved a general meeting of shareholders was authorised to increase the capital of the Company by the creation of new shares. A provisional board of eight directors was appointed until an Act of Incorporation could be obtained, after which a board of five would be elected by the shareholders. Three of the provisional directors were the former owners of the Company’s land: Thomas Black, Bartholomew O’Brien and William Somerville; the remainder were George Allen, Edye Manning, Alexander McArthur, William Robson and William Speer.\textsuperscript{114}

Robson, of course, was the senior partner in Robson and Company, and Speer was about to become a major shareholder in the Illawarra Coal Company. Allen had been practising as a solicitor in Sydney since 1846; in May 1860 he was appointed to the Legislative Council, resigning his seat 12 months later. Manning had been involved with shipping on the New

\textsuperscript{110} \textit{ibid.}, 12 May 1859.
\textsuperscript{111} \textit{ibid.}, 31 January 1862.
\textsuperscript{112} \textit{ibid.}, 18 February 1862.
\textsuperscript{113} Eardley, \textit{op.cit.}, pp.25-6.
\textsuperscript{114} \textit{The Deed of Settlement of the Bulli Coal Mining Company. Established 1861.} Frederick White: Sydney 1865.
South Wales south coast for over 20 years and had been part of the abortive attempt to mine coal at Bulli in 1840. By 1858, when it became the Illawarra Steam Navigation Company, he held two-thirds of the capital of the Kiama Steam Navigation Company. McArthur had established the firm of A. McArthur and Company, importers of Sydney, in 1848; his brother William joined him, managing the London end of the business. He had started with a capital of £1000 but by 1860 his Company’s annual turnover was in excess of £500,000. McArthur had represented Newtown in the Assembly between 1859 and June 1861, when he received a life appointment to the Legislative Council. Other prominent individuals involved in the formation of the Bulli Company were John Caldwell, William Love and James Shoobert. After selling his Mount Keira coal property to Henry Osborne in 1856 Shoobert moved to Sydney, where he had become involved in shipping circles. Caldwell was a Sydney businessman who had served one term as an alderman on the Sydney Council; at the December 1860 general election he won the Assembly seat of East Sydney. Love, also a businessman, was returned at the same election, for West Sydney.

By the close of 1862, then, there were five mines operating in the Wollongong district. These were not, however, five separate businesses engaged in open and vigorous competition. There were too many inter-connections and overlapping interests involved for that to be occurring to any significant degree. In fact, through a combination of land ownership, and shared directorships and managements, the Wollongong coal trade was, at its inception, owned and controlled by a handful of individuals.

The Osborne family had an interest in three of the five mines: Osborne Wallsend, Hale’s Bellambi mine, and Taylor and Walker’s. Robson and Company had leased the Osborne

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116 Martin, op.cit., p.198.
117 Biographical details from Martin & Wardle, op.cit., and New South Wales Parliamentary Record, op.cit.
118 In July 1863 Shoobert presided at a meeting of ‘masters and shipowners’, formed some months earlier to protect Sydney shipping interests. See Sydney Morning Herald, 6 July 1863. His son, also James, was following in his father’s footsteps. In July 1863 he was en route from Britain to Australia with the Bulli Company’s steam screw collier, the Woniora, which had been built in England. See Illawarra Mercury, 28 July 1863.
Wallsend mine from Henry Osborne in 1856, with the latter to receive a royalty based on the amount of coal produced. In September 1858, less than 12 months after it opened, Henry Osborne bought a half share in Thomas Hale’s Bellambi mine for £7000.\textsuperscript{120} On Osborne’s death in March 1859 these properties passed to his family: the Osborne Wallsend mine to James and Francis Osborne, and the Bellambi mine to his five other sons (under the management of his son-in-law, Francis MacCabe). When Taylor and Walker opened their Bellambi mine in August 1861 they leased the land from the five Osborne sons. Hence, although generally known under the name of its two operators, the proper title of Taylor and Walker’s mine was ‘The Osborne Bellambi Mine.’\textsuperscript{121}

The most prominent individual in the Wollongong coal trade in the 1860s was probably William Speer, who was ‘a director . . . [and] . . . a proprietor’\textsuperscript{122} of the three biggest companies: the Osborne Wallsend, the Bulli, and the Illawarra. In the mid-1850s Speer was one of three trustees of the Shoalhaven Steam Company, which shipped primary produce from the New South Wales south coast to Sydney, one of his co-trustees being Edye Manning.\textsuperscript{123} By 1859 he was a wholesale agricultural and dairy produce merchant, operating from Sydney\textsuperscript{124}; in December of that year he was elected to the Sydney City Council, where he remained until 1867.\textsuperscript{125} In 1863 he was elected Mayor of Sydney,\textsuperscript{126} and in the mid 1860s was described as having been the ‘Chief Magistrate of the city for some time.’\textsuperscript{127} He retained his connection with the shipping and produce trade, having become the owner of a wharf in

\begin{itemize}
\item \textsuperscript{120} Illawarra Mercury, 27 September 1858.
\item \textsuperscript{121} Taylor and Walker’s Railway Act, \textit{op.cit.} When the mine opened, in August 1861, Taylor and Walker advertised it as ‘Osborne’s Bellambi Coal Mines.’ See Illawarra Mercury, 27 August 1861.
\item \textsuperscript{122} He referred to himself as such when giving evidence to select committees of the Legislative Assembly on the applications of the Osborne Wallsend and Bulli Coal Companies for Acts of Incorporation. See Report from the Select Committee on the Osborne Wallsend Coal Company’s Incorporation Bill; together with the Proceedings of the Committee and Minutes of Evidence. In Votes and Proceedings of the Legislative Assembly, Session 1861-2, Vol.2. Report from the Select Committee on the Bellambi and Bulli Coal Mining Company’s Incorporation Bill; together with the Proceedings of the Committee and Minutes of Evidence. In Votes and Proceedings of the Legislative Assembly, Session 1861-2, Vol.2.
\item \textsuperscript{123} Waugh and Cox’s Directory of Sydney and Its Suburbs, 1855, p.249.
\item \textsuperscript{124} As part of a partnership called ‘Speer & Meiklejohn’. See Illawarra Mercury, 6 June 1859.
\item \textsuperscript{125} See New South Wales Government Gazette Extraordinary, No.246, 3 December 1859, p.2661 & No.270, 4 December 1861, p.2605 and Supplement to the New South Wales Government Gazette, No.239, 3 December 1863, p.2667 & No.255, 4 December 1865, p.2733. Speer was defeated in the December 1867 Council elections. See Sydney Morning Herald, 4 December 1867.
\item \textsuperscript{126} Sydney Morning Herald, 10 December 1863.
\item \textsuperscript{127} Report of the Commission Appointed to Inquire into the Condition of the Harbour of Port Jackson; together with the Minutes of Proceedings, Verbal Evidence, Answers to Queries, and Appendix, p.33. In Journal of the Legislative Council of New South Wales, Session 1866, Vol.14, Pt.2.
\end{itemize}
Darling Harbour, Sydney. His career as investor and company promoter seems to have gotten underway in the early 1860s. By 1863 he was a director of the Atlas Investment and Building Society, with Alexander McArthur, and of the New South Wales Investment and Building Society, of which McArthur and George Allen were the trustees. He was also a trustee of the Union Investment and Building Society.

Speer's entry to the Wollongong coal trade was facilitated by the indebtedness into which Robson and Company had fallen with James and Francis Osborne. When the Company decided to construct a tramway to Wollongong Harbour in 1858, Henry Osborne gave it the necessary land and a cash advance of £3000 against his royalties from future coal production. This was sufficient for stage one of the tramway, to the boundary of the land owned by Osborne. When the Mount Keira Tramroad Act of May 1860 allowed the tramway to be taken through private and Crown land to the Harbour, the partnership needed to borrow again to complete this second stage and to buy rolling stock and other equipment for the mine. On 25 September 1860 the Company borrowed £2000 from four members of the Osborne family, the whole to be repaid within two years at 10 per cent. interest a year. Although the completion of the tramway reduced by nearly two-thirds the cost of taking a ton of coal from the mine to the Harbour, Robson and Company were finding it difficult to meet their commitments and make a worthwhile profit. Consequently, on 1 July 1861, Robson and two of his three original partners entered into a Deed of Settlement with William Speer.

This brought Robson and Company to an end and replaced it with the Osborne Wallsend Coal Company, which had a nominal capital of £50,000 in 10,000 shares of £5 each. Presumably on the strength of Speer's involvement, the original lease granted to

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128 idem.
129 The Australian Almanac for the Year 1863. Sherriff & Downing: Sydney 1863.
131 According to Francis MacCabe, Robson and Company paid 5/6d a ton to carters to take coal from the mine to the Harbour, before the tramway was built. After completion of the tramway, the cost fell to about 2/- a ton. See Illawarra Mercury, 12 December 1871.
132 Osborne Wallsend Coal Company, op.cit.
133 Report from the Select Committee on the Osborne Wallsend Coal Company’s Incorporation Bill, op.cit., p.5. (William Speer’s evidence, 6 December 1861). Robson’s partners had been Thomas Jackson, John Nixon and Andrew Tulip. The Osborne Wallsend Company’s four directors were Speer, Robson, Jackson and Nixon. See Osborne Wallsend Coal Company, op.cit. and Sands’s Commercial & General Directory 1864, p.344 (Robson’s name given, in error, as Robinson).
Robson and Company in 1856 (10 years and a royalty of one shilling a ton) was set aside, and the new Company was granted a 21 year lease with the royalty increased to two shillings a ton. Speer seemed the man not only to meet the debts incurred by Robson and Company but to ensure that James and Francis Osborne received the doubled royalty payment. In August 1861, just one month after forming the new Company, he secured a New South Wales government contract for the supply of coal to the railways.

In October 1861 Speer and Robson became provisional directors of the Bulli Coal Mining Company. At the first half yearly meeting, in July 1862, the shareholders elected Speer to the board of directors, with George Allen as Chairman. Allen was a partner in his father’s law firm, Allen, Bowden and Allen, and represented the Company before the Legislative Assembly select committees which examined its Incorporation Bill (January 1862) and Railway Bill (August 1862); Speer was the sole witness examined by these committees. He was also the sole witness for the Osborne Wallsend Company’s Incorporation Bill (December 1861), for which Allen acted as the solicitor.

The overlap between the three major companies was particularly pronounced at the management level with William Robson emerging as the leading mine manager in the district, having oversight of the operations of the Osborne Wallsend, Bulli and Illawarra Coal Companies. When the Bulli Company sought tenders for the construction of miners’ houses and the supply of railway sleepers, in January 1862, applications were to be addressed to William Somerville or William Robson, both provisional directors. This arrangement continued to the end of the year with Somerville and Robson as joint signatories of advertisements seeking tenders for the supply of timber and for the construction of the

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134 Illawarra Mercury, 5 December 1871 (letter to the Editor, from Francis MacCabe).
136 Sydney Morning Herald, 23 July 1862.
139 Report from the Osborne Wallsend Coal Company’s Incorporation Bill, op.cit., p.5.
140 Illawarra Mercury, 31 January 1862.
Company's tramway. In September Robson signed himself as manager of the Bulli mine, while he was manager of the Osborne Wallsend mine and a member of the Osborne Wallsend board. By the following year Somerville had become the Bulli mine's manager, though Company advertisements continued to be signed by William Robson into 1864 and/or by his son, M.E. Robson, who was also involved in the management of the Osborne Wallsend mine.

While co-operation between the Osborne Wallsend and Bulli companies was close, that between the Osborne Wallsend and Illawarra companies achieved fusion. In February 1864 William Robson and Patrick Lahiff placed a joint advertisement in the *Illawarra Mercury* to inform local consumers that in future all house coal from their mines would have to be paid for at the time of purchase. From June the shipping of Osborne Wallsend and Mount Pleasant coal at Wollongong Harbour was a joint effort, and in July Robson and Lahiff advertised themselves as the managers of 'The Illawarra and Osborne Wallsend Coal Company.'

Provided that they did not prevent others from opening mines, the number of mines owned or controlled by particular individuals mattered nothing to Wollongong's businessmen. On the contrary, the Osbornes and Sydney investors like Speer, Allen and the Byrnes' were welcome because, unlike locals such as Robert Taylor and Christopher Walker, they had or could get sufficient capital to establish mines of a size that would generate substantial growth in the district's economy.

The Bellambi-Bulli area was a model of the kind of development that local businessmen hoped would become general throughout the district. Since Hale had opened his mine there in 1857, followed by the Bulli Company in 1861, a little township had begun to grow, with the

141 *ibid.*, 29 July & 4 November 1862.
142 *ibid.*, 30 September 1862.
143 *ibid.*, 21 July 1863.
144 *ibid.*, 11 September 1863 & 19 April 1864.
145 *ibid.*, 4 November 1862.
146 *ibid.*, 12 February 1864.
147 *ibid.*, 21 June 1864. Robson and Lahiff sought tenders for the emptying of coal wagons and loading of vessels at the Wollongong wharf.
148 *ibid.*, 29 July 1864. The Osborne Wallsend and Illawarra Coal Companies had, in fact, 'amalgamated'. See statement by owners' representatives at a meeting between miners and managers during a dispute over hewing rates, at the end of June, in *ibid.*, 1 July 1864.
managements of both mines having erected cottages for their miners. Hale’s mine alone
employed over 50 miners and labourers. The district’s businessmen seized the opportunity
and in November 1861 the Garretts gave their best wishes to Cockerton and Company of
Wollongong who were about to open a general store at Bulli, midway between Hale’s and the
Bulli Company’s mines. In January 1863 a Sydney journalist described the development
that took place in the succeeding 13 months:

Already a vast change has come over Bulli. Cockerton and Company, storekeepers, have established a branch, and I hear of others about to commence business. Sites for business places have been purchased. It is intended to commence a movement for the opening of a school and the erection of places of worship. Messrs. Somervile have set apart sites for this purpose. Numerous substantial huts are taking the place of navvies’ huts and are being occupied by those who are connected with the works.

Service industries followed. In early 1864 John Byrne, ‘Engineer and Iron Founder’, commenced business at Bellambi as the ‘Illawarra Foundry’, which manufactured machinery and iron wheels for the area’s mines.

In the town of Wollongong other opportunities were being presented, and in September and October of 1859 11 businessmen appended their names as provisional directors to a prospectus for the Illawarra Gas Company (see Table following). The Company, with a nominal capital of £10,000 in 1000 £10 shares, proposed to use Osborne Wallsend coal to supply town gas to Wollongong’s five churches, 10 hotels, schools and some 300 houses. Failing to attract sufficient local or Sydney shareholders, the Company did not proceed. Nonetheless, it was an early indication that Thomas Garrett was keen to benefit financially from his efforts to establish a coal trade in the district.

The scheme was revived about 12 months later when Robson and Company selected a site, imported some of the plant from England, proposed to call tenders for the construction of

149 ibid., 31 January 1862 (Bulli Company’s advertisement for tenders for the construction of 12 cottages) & 20 November 1868 (15 cottages, built by Hale).
150 Inspectors of Coal Fields, op.cit., p.5. The average number employed was about 56 (26 miners & 30 labourers).
151 Illawarra Mercury, 26 November 1861.
152 Sydney Morning Herald, 28 January 1863.
153 Illawarra Mercury, 17 May 1864 & New South Wales Government Gazette, No.165, 19 August 1864, p.1870. Byrne had 30 years’ experience, having been apprenticed to the ‘celebrated’ firm of Sharpe & Roberts of Manchester (the Atlas Foundry).
154 Eight provisional directors were appointed in September, a further three being added in October. See Illawarra Mercury, 19 September & 3 October 1859.
# Provisional Directors of the Illawarra Gas Company, 1859

<table>
<thead>
<tr>
<th>Name</th>
<th>Occupation</th>
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<tbody>
<tr>
<td>George Lambert (Chairman)</td>
<td>Medical Practitioner &amp; Surgeon</td>
</tr>
<tr>
<td>James Frazer</td>
<td>Cabinetmaker; Proprietor of Cabinetmaking Workshop</td>
</tr>
<tr>
<td>Thomas Garrett</td>
<td>Proprietor of Illawarra Mercury</td>
</tr>
<tr>
<td>James Hetherington</td>
<td>Proprietor of Royal Alfred Hotel; Alderman, Wollongong Council</td>
</tr>
<tr>
<td>Adam Howitt</td>
<td>Storekeeper &amp; Proprietor of A. Howitt &amp; Sons, Blacksmiths</td>
</tr>
<tr>
<td>Stephen Lott</td>
<td>Flour Mill Proprietor; Alderman, Wollongong Council</td>
</tr>
<tr>
<td>George Osborne</td>
<td>Builder</td>
</tr>
<tr>
<td>William Osborne</td>
<td>Builder, Flour Merchant &amp; Auctioneer</td>
</tr>
<tr>
<td>William Robson</td>
<td>Lessee of Osborne Wallsend Mine (Robson &amp; Company); Alderman, Wollongong Council</td>
</tr>
<tr>
<td>George Waring</td>
<td>Solicitor; Independent Means; Alderman, Wollongong Council</td>
</tr>
<tr>
<td>Joseph Wilshire</td>
<td>Gentleman; Alderman, Wollongong Council</td>
</tr>
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**Sources:** Eight provisional directors were appointed in September 1859, a further three being added in October (see Illawarra Mercury, 19 September & 3 October 1859). Occupations taken from Illawarra Mercury, 29 September & 10 October 1859, Supplement to the New South Wales Government Gazette, No. 189, 19 November 1858, pp.1961-2 (petition seeking establishment of Wollongong as a municipality), and M. Organ & A.P. Doyle (Eds), Illawarra Historical Source Books: Old Pioneer's Reminiscences of Illawarra (1830's-1920's). Illawarra Historical Publications: Woonona, New South Wales 1989, pp.24, 54 & 75.
the works and invited applications from prospective shareholders.155 Robson’s Company was at this time deep in debt to the Osbornes, and a captive gas company would provide it with a substantial and permanent new customer. As he told a public meeting, ‘gas companies in other towns paid well’ and Wollongong would be ‘a profitable speculation.’156 The cost of the works was estimated at £3000, of which Robson and his partners were prepared to provide up to £500.157 A committee was formed, with John Garrett as chairman and William Robson as vice chairman. Nine provisional directors (including three from the 1859 venture) came forward with £1000 but, although the nominal capital and price of shares were reduced, the works again failed to eventuate.158

Wollongong’s businessmen, then, were anxious to benefit quickly and directly from the coal trade that they were helping into existence. However, local capital was not sufficient to allow them to do this, driving home the point that the men of little capital could ride to prosperity only on the coat tails of the big. If 1859 and 1860 had been failures for this reason, that was because the improvement of the Harbour had not begun and, therefore, Sydney capitalists did not yet see Wollongong as a place that might return a good rate of profit. In 1861 and 1862, however, that perception had begun to change, and the immediate task was to ensure that those already engaged in the coal trade did not discourage or prevent others, whether locals or outsiders, from opening new mines.

John and Thomas Garrett were well placed to see to this. John had been the Member for Shoalhaven since June 1859, and in December 1860 Thomas was returned for the southern New South Wales seat of Monaro.159 Between them they oversaw the passage through the Assembly of every piece of legislation that had a direct bearing on the development of the Wollongong coal trade between 1859 and 1862. John Garrett, of course, had attended to the Osborne Wallsend tramway. On entering Parliament, Thomas carried on his father’s work. He

155 ibid., 10 August 1860. The works were to be located behind the Brighton Hotel, near Wollongong Harbour. Inquiries were to be directed to Robson or one of his partners, Thomas Jackson. The Works Engineer was Benjamin Fawcett, Lahliff’s former Mount Pleasant mine partner.

156 Quoted in ibid., 28 August 1860.

157 ibid., 28 & 31 August 1860.

158 The Garrett-Robson committee examined the 1859 Prospectus and reduced share prices from £10 to £5. The new Company’s nominal capital would be £6000 in 1200 £5 shares, with power to increase this to £10,000. As in 1859, the 1860 Prospectus stated that once all shares were taken up, a Deed of Settlement would be signed and an Act of Incorporation sought. See ibid., 31 August & 2 October 1860.

159 New South Wales Parliamentary Record, op.cit.
chaired the select committees on the Osborne Wallsend Company’s Incorporation Bill in November 1861, the Bulli Company’s Incorporation Bill in January 1862 and its Railway Bill in August 1862, and Taylor and Walker’s Railway Bill in October 1862. Thomas Hale made an optimistic attempt to have the Assembly reject the Bulli Company’s Incorporation Bill on the ground that the Company’s initial claim to the title of ‘Bellambi and Bulli’ was a device by which it intended to take advantage of the ‘character’ that he had established for Bellambi coal, and which he felt would be ‘damaging to his interests’. When the select committee met, William Speer agreed without protest to delete ‘Bellambi’ from his Company’s name. Whatever Hale’s worries about competition, these Bills posed no threat to Garrett’s coal policy and were enacted without incident; as he noted when one Member objected on procedural grounds to the Bulli Company’s Railway Bill being taken straight from the second reading into the committee stage: ‘no public interest was thereby affected. If there had been any real objection to the bill on the score of private interests, it would have been made known.

The mantle of guardian fell solely on Thomas in February 1862, when the partnership with his father as ‘newspaper proprietors, printers, and publishers’ was dissolved. Thomas continued to publish the *Illawarra Mercury*, while his father accepted a government appointment as Police Magistrate at Fort Bourke, in the Colony’s west. Appropriately,
Thomas used the occasion of his father’s farewell dinner to propose the health of the Cowper-Robertson Ministry, making strikingly clear both the intimacy of the relationship between Wollongong’s businessmen and that Ministry, as well as the role that the latter had played in allowing their coal policy to guide the development of the district:

no part of the colony was more indebted to the present Ministry than the district of Illawarra. There could be no doubt that private enterprise had done a good deal, but that enterprise would have been crushed but for the assistance which had been derived from the Government. He would maintain, therefore, that in no part of the colony should the health of the Ministry be drunk more enthusiastically than in this district.¹⁶⁶

At the very moment that Thomas was eulogising the Ministry, that policy was moving a step closer to realisation. In April 1862 the Illawarra Coal Company announced that it would commence construction of a tramway from the Mount Pleasant mine to the temporary wharf at Wollongong Harbour. Initially, Thomas gave his blessing, noting as a matter of course that the tramway would contribute to an increase in the volume and value of Wollongong’s exports. Coal, he claimed, was now almost equal in value to butter as a local export and would ‘before long, be the staple pursuit of Illawarra’. This being the aim of the Garretts’ campaign of the previous five years, Thomas warned that:

Anyone, therefore, who does anything that will tend to check this pursuit in its progress, must be an enemy to the prosperity of the district. We certainly will not be accused or suspected of knowingly being that. As journalists, our prosperity depends entirely on the prosperity of the district.¹⁶⁷

In June 1862 Wollongong’s businessmen identified the Illawarra Coal Company as such an enemy. The Company’s tramway had reached a government reserve on the approach to Wollongong Harbour, but the Company had made no move to obtain the private Act needed to authorise the taking of the tramway through the reserve.¹⁶⁸ This led to wild speculation that it intended to obtain a monopoly over the northern approach to the Harbour.

A public meeting attended largely by ‘persons possessing properties in the neighbourhood of our coal fields’,¹⁶⁹ was addressed by Alderman George Hewlett, bank manager, postmaster and now Wollongong agent for the Sydney Insurance Company.¹⁷⁰

¹⁶⁶ Quoted in Illawarra Mercury, 8 April 1862.
¹⁶⁷ ibid., 4 April 1862.
¹⁶⁸ Empire, 6 June 1862.
¹⁶⁹ Illawarra Mercury, 6 June 1862.
¹⁷⁰ ibid.
While welcoming 'Sydney capitalists' who 'give employment to labour and add to the business and prosperity of the town', Hewlett invoked the spectre of Henry Osborne's attempt to monopolise Wollongong Harbour. He went to the heart of his audience's concern when he declared that:

It was known to many of them that there were persons possessing small properties on which coal existed, but who had not the necessary capital to work it, and all that they required was that no bar should exist to their doing so should capitalists at any time be disposed to open up the mines. (Hear, hear).

Thomas Garrett agreed, and stated that Parliament had to intervene, in 'the public interest.' A petition from 131 Wollongong residents was laid before the Legislative Assembly, expressing the fear that if the Company was not 'compelled' to obtain an Act making the tramway open to all 'on fair and equitable terms' then it 'would become possessed of exclusive rights, to the prejudice of other Coal Companies'.

It was hysteria. There was no evidence that the Illawarra Coal Company intended any such thing. As James Byrnes remarked later, 'I do not care three straws to make it a private line; I only want to be enabled to carry out my operations at the mine immediately.' Wollongong's businessmen were being driven by a powerful fear: the fear of losing money not yet in their pockets.

Their anxiety arose from the strategic position occupied by the Mount Pleasant mine and its tramway. The mine lay at the southern end of the Wollongong coalfield, where the Bulli seam began to thin, meaning that any new mining activity was likely to occur only to its north. Like the Osborne Wallsend tramway, that of the Illawarra Coal Company traversed the Wollongong peneplain; the difference was that its long final section had to swing south between a high bluff and the ocean, the only feasible approach to Wollongong Harbour from the north. Thus, there was need for vigilance, but not for panic. The Company had to seek Parliamentary

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171 Quoted in ibid.
172 ibid., 10 June 1862.
authority to take its tramway through the government reserve. Its plans could not escape public scrutiny.

The Mount Pleasant Tramroad Bill was introduced in the Assembly in August by Peter Fawcett, Member for Yass Plains. In accordance with the Standing Orders it was referred to a select committee for examination and report.\textsuperscript{176} Probably for his part in the attacks on the Company, Thomas Garrett was not among those nominated by Fawcett for the committee. However, Garrett did not intend to be excluded from the consideration of a matter that touched so closely on his interests. He 'demanded' that the committee be elected by ballot. The motion was accepted and the ensuing vote deleted two of the committee members proposed by Fawcett, replacing them with Garrett and Cowper's Minister for Public Works, William Arnold.\textsuperscript{177}

Though Fawcett retained the chairmanship of the committee, it was Garrett who determined its major recommendation. Speaking in the Assembly before the Bill went to the select committee, he suggested that the safest course would be to make provision for the government to acquire the tramway should the need arise.\textsuperscript{178} This was the recommendation made to the committee by Edward Moriarty who appeared in his official capacity as Engineer-in-Chief of Harbours and River Navigation. Moriarty had no objection to the tramway; 'provided a clause insuring the right of purchase by the Government is introduced.'\textsuperscript{179} This became Clause 9 of the Bill, allowing the government to purchase the tramway, after six months notice to the owners, at cost plus 10 \textit{per cent}.\textsuperscript{180} It was an insurance policy, underwritten by the government and designed to allay the fears of those in Wollongong with coal lands, businesses and high monetary expectations. James Byrnes offered the committee no objection: 'I shall be most happy, because I believe it would be the proper course for the Government to adopt in a case of this kind.'\textsuperscript{181}

\textsuperscript{176}\textit{Votes and Proceedings of the Legislative Assembly, Session 1862, Vol.1, pp.349 (19 August 1862) & 510 (7 October 1862).}
\textsuperscript{177}\textit{ibid., p.510 and Sydney Morning Herald, 8 October 1862.}
\textsuperscript{178}See Garrett's comments in \textit{Sydney Morning Herald, 8 October 1862 and Moriarty's in Report from the Select Committee on the Mount Pleasant Tramroad Bill, op.cit., p.9.}
\textsuperscript{179}Report from the Select Committee on the Mount Pleasant Tramroad Bill, op.cit., p.9.
\textsuperscript{180}\textit{ibid., pp.5 & 6.}
\textsuperscript{181}Quoted in \textit{Report from the Select Committee on the Mount Pleasant Tramroad Bill, op.cit., p.9.}
The Assembly accepted the committee’s report and the Bill went to the Legislative Council on 31 October. It was returned, without amendment, and received Assent on 17 December 1862, though the first coal had already been taken along the tramway, to Wollongong Harbour, eight days before, on 9 December.

The linking of new mines, as they opened, to Wollongong Harbour was an important part of the policy adopted by the businessmen of the town, and the Mount Pleasant Tramroad Act met that requirement nicely. It did not, however, relieve all of the anxieties which had surfaced during the controversy over the tramway. At the public meeting in June, George Hewlett had asserted that if the Illawarra Coal Company did secure a monopoly over the northern approach to Wollongong Harbour, then the coal from that end of the district ‘would be taken to Bellambi’. While he felt that there would be ample trade for both Harbours, he declared that ‘no private company should be able to put Wollongong to a disadvantage.’ It was all very well for Cockerton and Company, for instance, to open a branch store at Bellambi but, as Hewlett had noted on an earlier occasion, it was at Wollongong itself that a thriving port could best help to swell the coffers of the established business houses.

182 See Votes and Proceedings of the Legislative Assembly, Session 1862, Vol.1, p.713 and Mount Pleasant Tramroad Act, op.cit. The Bill was delayed, unnecessarily, in the Council by a second select committee, owing to petitions from three landowners who believed that the tramway would still affect their interests adversely. See: Mount Pleasant Tramroad Bill. (Petition of John Hubert Plunkett.) In Votes and Proceedings of the Legislative Assembly, Session 1862, Vol.5; Mount Pleasant Tramroad Bill. (Petition Praying Bill be Referred to a Select Committee.) In Journal of the Legislative Council, Session 1862, Vol.9, Pt.1: Report from the Select Committee on the Mount Pleasant Tramroad Bill, op.cit. In ibid., and Mount Pleasant Tramroad Bill. (Petition Praying Certain Alterations In.) In ibid., and Mount Pleasant Tramroad Bill. (Petition Praying to be Heard Before Select Committee.) In ibid. The Council’s committee dismissed the petitioners’ objections (‘none . . . of them had any interest whatever in any lands situated within three miles of the Tramroad . . . they had no locus standi before the Committee.’)

183 Eardley, op.cit., p.26. The Illawarra Coal Company sought, but did not obtain, an Act of Incorporation. The Company gave notice of its intention to apply in July 1863 (New South Wales Government Gazette, No.137, 17 July 1863, p.1560). A petition seeking leave to introduce a Bill had to be submitted to the Parliament within three months of the original notice. Thomas Garrett asked the Assembly, in December, to set aside the requirements of the Standing Orders to allow the petition to be lodged, so that the Bill might proceed. See Votes and Proceedings of the Legislative Assembly, Session 1863-4, Vol.1, p.688, and Sydney Morning Herald, 2 December 1863. The Standing Orders Committee’s rather bare report stated that it had ascertained from a promoter of the Company’s Bill that the Standing Orders had not been complied with and that it was, therefore, ‘unnecessary to make any recommendation upon the question referred to them.’ See Report from the Standing Orders Committee on Proposal to Dispense, in Part, with 62nd Standing Order, and Cross Bench Accommodation. In Votes and Proceedings of the Legislative Assembly, Session 1863-4, Vol.2. There is no record of the Company having sought incorporation subsequently.

184 Quoted in Illawarra Mercury, 6 June 1862.

185 ibid., 26 March 1861.
Bellambi could scarcely be described as a harbour. If anything, it was even more of an open roadstead than the unimproved Wollongong Harbour. However, it did possess naturally deep waters, able to accommodate vessels engaged in the intercolonial and overseas coal trade. Wollongong Harbour, on the other hand, was having a great deal of money spent on excavation and deepening to achieve the same advantage. All that Bellambi required was a breakwater and berthing facilities, and by June 1862 that was just what the landowners and coal proprietors there were on the verge of obtaining.

The first move to improve Bellambi Harbour was made in 1858 when Edward Moriarty, while preparing his report on Wollongong Harbour, was officially instructed to make a survey with a view to rendering it safe for shipping. This was done at the instigation of Thomas Hale, who was closely involved with the Garretts in the Illawarra Liberal Political Association. Despite Hale’s persistence, no money was forthcoming. There the matter lay until others decided to join him in mining in the Bellambi-Bulli area.

Of the five mines which had commenced the shipment of coal in the Wollongong district by mid 1863, three (Taylor and Walker’s, Hale’s, and Bulli) did so from jetties in the open sea at Bellambi and Bulli. This had not, however, been the original intention. In January 1860, when Wollongong’s businessmen were fighting the Forster Ministry’s reduction of the amount voted for Wollongong Harbour, Thomas Garrett informed a public meeting that:

there were parties at Bulli waiting to see the course adopted by the Government and the Assembly in the improvement of Wollongong Harbour, before they decided upon one of two schemes they had before them for developing their coal mines—and one of their schemes was to construct a railway from Bulli to Wollongong.

These ‘parties’ were Bartholomew O’Brien and the Somerville brothers, who, over 12 months later, were among the principal promoters of the Bulli Coal Mining Company. In April 1860 they engaged Edward Moriarty to survey a route for a line from their properties to Wollongong Harbour. Moriarty reported that there would be no particular engineering difficulties.
Although the money for the improvement of Wollongong Harbour was finally secured with the passage of the Public Loans Act in June 1860, O’Brien and his partners were not immediately successful in attracting the interest of Sydney investors, and when they did, in 1861, the Harbour works were beset with problems. Hence, the Bulli Company initially intended to ship its coal from a jetty at Bulli Point, about two miles from the mine. Subsequently, however, when the Company gave notice in September 1861 of its intention to seek a Bill authorising it to take the tramway through public and private lands, the destination was changed to Bellambi Harbour, more than twice the distance to Bulli Point.

This decision coincided with that of the owners of coal lands in the area to press the Government to construct a breakwater at Bellambi. The estimated cost was £10,000. In August 1861 about 30 land owners agreed to form a ‘Company’ which would contribute half the cost of the breakwater; the government would be asked to lend it the remainder for which the Company would guarantee the government an interest rate of five per cent., the payment of which would be made from ‘a small charge per ton to be made upon all coal to be shipped there.’ A memorial was presented to the Governor, Sir John Young, on 26 September by a deputation comprising Alick Osborne (one of Henry Osborne’s sons), Thomas Hale and Dr. O’Brien. The Bulli Coal Company was the prime mover, for O’Brien told Sir John that ‘he was empowered by a company that had subscribed a capital of £40,000 to work another mine in the vicinity of Bellambi, to guarantee interest upon the money spent by the Government in the erection of a breakwater.’

When the matter came before the Legislative Assembly in December, as part of the Public Loan Bill of 1862, it was clear that the Ministry had been persuaded to pay the full capital cost of the breakwater. The Minister for Public Works, William Arnold, asked the Parliament to approve the sum of £10,000 for a breakwater and pier at Bellambi, noting that ‘certain gentlemen’ had guaranteed to pay five per cent. interest on the amount. This unusual

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190 This was the route notified in New South Wales Government Gazette, No.210, 3 September 1861, p.1909. See also Illawarra Mercury, 4 November 1861 (tenders called by the Company for construction of the line to Bellambi Harbour) and The Bulli Coal Mining Company’s Railway Act, op.cit.
191 Illawarra Mercury, 6 August 1861.
192 Quoted in ibid., 27 September 1861.
arrangement aroused the suspicions of some Members. William Piddington moved the omission of the item:

He condemned the principle . . . and thought there were hundreds who would like to take a loan on the same terms . . . He would support this vote if it could be shown that it was of advantage to the country, but they had only heard that this colliery [Bellambi], and another, which was to be started, viz., the Bulli Coal Company, would be benefited [sic.] by it.193

Others, like Samuel Gray, felt that the interest guarantee was an excellent idea. There would, he said, be less consternation about the cost of public works if ‘persons of substance’ were to adopt the principle. The House agreed and, ‘amid cries that shareholders were voting’, Piddington’s motion was defeated 23-13.194 Though not on the same free terms as the £26,892 voted just over 18 months before for Wollongong Harbour, the Bulli Company could be well satisfied at having secured £10,000 for a safer point of shipment, for a comparatively small outlay to be met by all mines using Bellambi Harbour.

The ease with which this arrangement had been established led to further demands on the public purse. In June 1862 over 100 people, ‘many of whom were known to be deeply interested in mining pursuits’, met at Bellambi. They adopted another memorial to the Governor, seeking to have the Government fund all of the improvements that Moriarty had suggested in his 1858 survey; that is, in addition to the breakwater, dock facilities complete with staiths for each mine using the Harbour. The amount sought was £20,000 and Alick Osborne, Thomas Hale, William Speer and George Allen were appointed to present the memorial to the Governor.195 That was accomplished on 1 July,196 and before the month was out the Ministry had placed the item on the Estimates.197 Thomas Hale’s denial that ‘political influence’ had been of some importance in securing the Government’s acquiescence,198 seemed to point to the opposite conclusion. Although the second Bellambi meeting had reaffirmed that the five per cent. interest guarantee would stand for the whole £30,000, the fact remained that this was a sum greater than that voted for Wollongong Harbour.

193 Quoted in *Sydney Morning Herald*, 19 December 1861.
194 *ibid.*
195 *Illawarra Mercury*, 17 June 1862.
196 *ibid.*, 8 July 1862.
197 *ibid.*, 25 July 1862.
198 *ibid.*, 17 June 1862.
The BeLambi ‘push’ was emerging as a distinct threat to established commercial interests in the town of Wollongong. One speaker at the Illawarra Coal Company meeting, held at about the time of the second BeLambi meeting, in June, had gone so far as to propose that there ought to be a tramway running from Broker’s Nose (on the escarpment, almost opposite BeLambi Point) to Wollongong, to be used by all mines south of the former with the rest using individual tramways to BeLambi Harbour. Although in their moments of wilder optimism they believed that the coal trade could support two Harbours and commercial centres, Wollongong’s businessmen had no need to worry. The £20,000 for coal staiths and docking facilities for BeLambi did not survive the Estimates debate, and the £10,000 approved earlier for a breakwater was never released.

For these reasons and the continuing delays with the construction of the coal port at Wollongong, the Bulli Company reverted to its original intention and took its tramway to Bulli Point. The Company had followed the trail of public money until it vanished. It was with some irony, therefore, that when the Minister for Public Works spoke at the official opening of the Bulli mine on 2 June 1863, ‘he complimented the company on the enterprise which they had shewn in helping themselves, instead of relying upon the Government.’ A Company spokesman heightened the irony by stating that ‘those who had so far helped themselves deserved to be helped, and hinted that Government might sustain private enterprise by improving the harbor’ (that is, Bulli).

Although the improvement of BeLambi or Bulli Harbour did not proceed, there was little doubt that the lack of progress at Wollongong Harbour was placing at risk both the policy of developing the latter as the coal export centre of the district and, therefore, the interests of business at that end of the district. In December 1861 John Gibbons had confidently predicted that the Wollongong Harbour works would be completed within nine months. That is,

199 *ibid.*, 6 June 1862.
200 The £10,000 for a breakwater and a pier were included in the Public Loans Act of 1862. 25 Vic.No.19. However, the entire amount was subsequently written off. See ‘Statement of Appropriations for Services Authorized to be Provided for by Loans, from the Year 1853 to 31st July, 1895, Showing the Expenditure Under Each Head up to that Date, and the Balances Written Off or Retained for Future Expenditure.’ In *Estimates of the Ways and Means of the Government of New South Wales for the Year 1895-6*. Government Printer: Sydney 1895, p.36. Why the item was written off is not known.
201 G. Thornton quoted in *Sydney Mail*, 6 June 1863.
202 *Empire*, 9 December 1861.
Wollongong coal should have been making its way direct to intercolonial markets by September or October 1862. By the end of that year, however, with only £15,015 (55.8 per cent.) of the original vote spent,\textsuperscript{203} this prospect seemed as far off as ever.

\textsuperscript{203} Calculated from \textit{Public Accounts for the Year 1873}. Government Printer: Sydney 1874, p.90. The annual expenditure figures were: £6842 (1861) and £8173 (1862). Figures were also given in the \textit{Statistical Register of New South Wales}, which differed slightly from those in the Public Accounts: £5931 (1861) and £8240 (1862).