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 8

CAPITALISTS DISPOSED TO INVEST IN COAL:
THE NEW SOUTH WALES PARLIAMENT AND THE
ILLAWARRA RAILWAY, 1876-1878

The defeat of 8 June 1876 demonstrated that it was far easier to snare the support of a Ministry for the Illawarra Railway than to convince the Parliament of the soundness of the proposal. Lacking the control over Parliament of the modern party system, Colonial Ministries lived uncertain lives and could not guarantee the passage of their legislative programmes. This dominance of Parliament over the executive was a reflection of the relatively undeveloped state of capitalism in New South Wales in the 1870s. The Colony's economy was in reality a series of little regional economies, like that of the Wollongong district, with their own parochial concerns and interests, and it was this set of material conditions that sustained the fragmented system of faction politics that characterised the operations of the Legislative Assembly.

Although 'national' concerns were an important feature of Parliamentary debate (for instance, finance, immigration and education), these were not subjects over which there was any ideological conflict. They were areas of common interest to the liberal capitalists who were constructing New South Wales, being the means by which the necessary loan funds and labour for the harbours and railways required by local and British capitalists, and the social consensus essential for holding the system together, were acquired. This uniformity of outlook had dominated New South Wales politics ever since the liberals had swept the conservatives from the Assembly in the 1850s and early 1860s.

Thus, there was little or no notion of 'national economic development', other than that such development was a good thing, and certainly no ideological division over the question of the regulation of the capitalist market economy. That question would not require an answer until the economic collapse of the 1890s destroyed the boom upon which rested optimistic liberal notions of individual freedom and a strictly prescribed and limited role for government.
Hence, the Parkes and Robertson Ministries of the 1870s 'did little more than carry minor legislation and business essential to the conduct of the administration'.

Without clearly defined national economic interests, questions and conflicts, which transcended the regional interests of individuals and companies, there was no need for continuous, disciplined political parties to represent them. Thus, the Parliament mirrored the inchoate array of local interests that comprised the New South Wales economy. When occasion demanded, as in the case of the Illawarra Railway, that action be taken to defend particular sets of interests, then Members could be mobilised for a common cause. However, this kind of activity was discontinuous and if the Legislative Assembly was not anarchic, it was at least unpredictable, to the extent that Ministries and those electoral interests and individuals which controlled them could never be sure that their concerns would in fact be elevated to the status of public policy.

The Illawarra Railway, then, may have made it on to the political agenda, but for the present not even the solid support of the Robertson Ministry could overcome the strength of opposition in the Assembly. However, Wollongong’s businessmen had never allowed political obstacles to sap for long their determination to transform the economy of their district. Consequently, they laid the ground for a renewed campaign by questioning the legitimacy of the Assembly’s verdict on the Illawarra Railway. According to the Illawarra Mercury, the ‘principal movers’ behind it were the selfish Newcastle coal proprietors and Henry Parkes, ‘the Jervis Bay schemer and arch traitor to the South Coast Railway project’ and ‘political Jim Crow of this colony’. He was not alone; that such a visionary scheme should attract the votes of only 12 Members suggested undue influence: ‘many of the pledged supporters of the item were conspicuous either by their absence or traitorous conduct by voting against the said railway.’ Such cowardice and malevolent self interest could not be permitted to deprive the population of the southern districts and the metropolis of the commercial and industrial riches that a much expanded Wollongong coal trade could deliver:

2 Illawarra Mercury, 13 June 1876.
3 ibid., 9 June 1876.
neither the inhabitants of Illawarra or those of Sydney will rest, nor let the Legislature rest, until justice shall have been done by the construction of the said railway at no distant date.\footnote{ibid.}

Within weeks of the Assembly's rejection of the proposal, John Biggar called a meeting of the General Committee of the Metropolitan and Illawarra Railway Committee, to receive a report from the Executive. For Campbell and Hart of the \textit{Mercury}, this was Wollongong's Trafalgar, and they urged the people of the district to stand firm behind their Nelson: 'In the important matter of the railway movement, Illawarra expects every man to do his duty, be he or be he not a member of [the] Committee.'\footnote{ibid., 7 July 1876.}

\footnote{ibid., 7 July 1876.} Twice postponed owing to storms,\footnote{ibid., 14 July & 1 August 1876.} the Committee finally met on 1 August. William Wiseman, proprietor of the Blacksmith and Shoeing Forge, manufacturer of iron ploughs, shares and buggies, and supplier of miners' tools and sawn timber,\footnote{ibid., 4 August 1876.} presided. On Biggar's motion, the meeting resolved to clear the Committee's outstanding debts and to reconstitute itself as a Railway League.\footnote{ibid.} Little, however, seems to have been done to give effect to this local reconsolidation of the Illawarra Railway movement. By late August, one correspondent to the \textit{Illawarra Mercury} was instructing Biggar to move publicly on the matter, lest 'their present silence . . . be misconstrued into apathy'.\footnote{ibid., 25 August 1876 ('ONE OF THE PUBLIC' to the Editor).} There was, in fact, little need for haste in reinvigorating popular support for the Railway. The Parliament was prorogued on 22 August, and would not meet again until 12 December. In any case, the Robertson Ministry seemed to be securely locked into supporting the scheme and there was nothing to be gained from the usual round of public meetings and the besieging of Ministers with petitions and deputations.

Nonetheless, any opportunity to continue the courting of the Ministry was welcomed, and when it was learned that Premier Robertson was to travel to Kiama in September to officially open the little harbour there, Wollongong's businessmen seized the moment. On 2 September about a dozen 'gentlemen' of the district met and resolved to invite the Premier to a public dinner in Wollongong, following the completion of his official duties in Kiama. A
Provisional Committee was formed, with the Mayor of Wollongong, Thomas Collins, as chairman.\(^{10}\) Tickets, at 12 shillings and sixpence each, were available from John Biggar.\(^{11}\)

Robertson and his Minister for Public Works, John Lackey, were lavishly entertained at a banquet in the Queen's Hotel on 21 September. The Assembly Room was 'profusely festooned with evergreens and draped with flags, conspicuous among which were the Union Jack and the British Ensign.' Following dinner, the toast to John Robertson and his Ministry was 'drunk with enthusiastic cheering', and when the Premier concluded a 90 minute speech defending his Government's programme and castigating the Parkes led Opposition for its obstructionist tactics, he was 'loudly cheered.' He said nothing about the Illawarra Railway, leaving that to his Minister. Lackey told his audience what they wanted to hear—that the beauty and resources of Illawarra were deserving of a railway connecting them to Sydney.\(^{12}\) He did not, however, make any promise to place the Illawarra Railway on the Estimates in the next Parliamentary session.

If nothing else, though, it was a great night for the businessmen of Wollongong as they once again sought to rally themselves and the local population behind the Illawarra Railway. John Biggar proposed the toast to the Members for Illawarra, Kiama and Shoalhaven, and when Samuel Gray rose to reply he did so to 'deafening applause.' Proceedings closed with the Mayor of Wollongong proposing 'The Agricultural, Mining, and Commercial interests of Illawarra.' Patrick Lahiff of the Mount Pleasant mine responded for mining, John Biggar for commerce, and Evan Evans, a prominent local farmer,\(^{13}\) for agriculture.\(^{14}\)

This celebration of their close ties with the Ministry was followed closely by a visit to Wollongong by another great friend of the Illawarra Railway, the Reverend Dr. John Dunmore Lang. He had come to tend to the spiritual needs of his Presbyterian brethren. However, the businessmen of the town could not let slip another opportunity to keep their secular ambitions at the forefront of the minds of the local populace. At a public function chaired by the Mayor of Wollongong, with the Mayors of North Illawarra, Central Illawarra and Shellharbour sharing

\(^{10}\) ibid., 5 September 1876.
\(^{11}\) ibid., 8 September 1876.
\(^{12}\) ibid., 26 September 1876.
\(^{13}\) ibid., 30 January 1877.
\(^{14}\) ibid., 26 September 1876.
the platform, Lang was presented with an Address in recognition of his efforts to promote the Illawarra Railway among the people and the civic and business leaders of Sydney. In reply, Lang told Wollongong’s businessmen to redouble their efforts to have the proposal accepted by the Parliament, even if only to ensure for his own well being that the city had a reliable supplier of fresh dairy produce:

In his own home, in Sydney, he recently had a most disagreeable experience of the bluish sort of stuff that was supplied in the city under the name of milk.\(^\text{15}\)

By this time, Biggar was bestirring himself and urging his fellow townsfolk to take the steps that would ensure the delivery of fresh milk to the tables of Dr. Lang and other inhabitants of Sydney. With Parliament due to resume in the near future and local interest in the Illawarra Railway maintained by the visits of Robertson and Lang, Biggar announced in mid October that a meeting would be held to consider the formation of a Railway League for the better prosecution of the campaign.\(^\text{16}\)

It was, in fact, a proposal to revive failing public interest in the scheme at the local level. Biggar told the Railway Committee meeting, on 20 October, that the organisation was in debt, having had to depend upon only a few subscriptions of a ‘general and disjointed’ nature.\(^\text{17}\) Therefore, he said, ‘after due and careful consideration by the principal advocates of the project’, it had been decided to recommend the establishment of a Railway League to replace the old Committee. A League, stated Biggar, would be a more permanent body, with a wider membership base paying a fixed subscription, thus allowing them to pay their way in promoting the Illawarra Railway. Following Percy Owen’s denunciation of the ‘enemies’ of the scheme, the Newcastle monopolists and the squatters who cared only about the extension of railways to their runs, Biggar’s motion to create the Metropolitan and Illawarra Railway League was carried unanimously. A Committee of 38 was appointed, its task being to set up branches of the League along the proposed route of the Railway, from Jervis Bay to Sydney.\(^\text{18}\) This was an admission of the virtual collapse of the old local Committees which had been established

\(^{15}\) Quoted in ibid., 6 October 1876.

\(^{16}\) ibid., 13 October 1876.

\(^{17}\) ibid., 27 October 1876.

\(^{18}\) ibid.
along the coast several years earlier, giving some point to the observation of several Parliamentary critics of the Illawarra Railway that it was the creation of a small clique of businessmen and businessmen and investors who had stirred up the population of the southern districts to give their self interest a veneer of popular support.

Certainly, the Executive Council of the new Railway League, like the one it replaced, reflected the interests and influence of businessmen located in the town of Wollongong itself. The office bearers were Percy Owen (Chairman), W.S. Thompson (Treasurer) and John Biggar (Secretary). Owen, a Wollongong solicitor, son of local coal owner and retired District Court Judge, Robert Owen, had been Chairman of the old Executive. Biggar likewise filled his old position. Thompson is a mystery. Three additional Members completed the Executive: Archibald Campbell, printer and joint proprietor of the Illawarra Mercury; John Payne, a wheelwright, and Francis Woodward, a solicitor and Wollongong agent for the Mutual Life Association of Australasia. This group exercised the greatest influence in the new organisation, being charged with handling the League’s day to day affairs or ‘emergency business’, and with preparing agendas and reports for its meetings.

As far as the public was concerned, the Executive viewed it as a source of funds and a means of convincing the Parliament, if necessary, of the broad popular support enjoyed by the Illawarra Railway in Wollongong itself. The cost of an annual subscription was kept low, at five shillings, and John Payne appealed directly for working class involvement in the League, though only to expand its membership and, thus, its finances: ‘as unity was strength, he hoped every working man in the district, as well as others, would join the Railway League.’ Some ‘others’, notably Francis MacCabe, administrator of the Osborne Wallsend mine and of the estates of the late Henry Osborne, and Henry Osborne jr, who were still attempting to find a lessee for their coal lands in the Woonona-Bulli area, needed no reminding of where their public duty and self interest lay. They had already written privately to John Biggar, to express their support for the work of the new Metropolitan and Illawarra Railway League.

19 Occupations from ibid. (advertisements).
20 Quoted in ibid.
21 ibid., 17 October 1876.
Until the Parliament met and the Ministry revealed its priorities for the session, there was little of a practical nature to be done. Samuel Gray promised the League that he intended to spearhead the movement for the Illawarra Railway in the new session. John Biggar, as Secretary of the League, took on the role of protector of and publicist for the reputation of Wollongong coal and the Sydney-Wollongong railway. In November he chided John Macintosh, Member for East Sydney, who had raised doubts as to the technical feasibility and cost of constructing some of the curved sections of the line. This had been a standing concern of Macintosh's. In June he had obtained from the Minister for Public Works the information that in the rough country between the George's River and Coalcliff, a straight line distance of 19 miles, the planners had been forced to include 83 curved sections with radii ranging from 242 yards to 770 yards. Biggar, claiming that Macintosh's public comments had 'caused some doubts and anxieties in the district', replied at length, citing detailed technical reports on railway curves and announcing, in one of his few realistic predictions, that local coal production in 1876 would top 200,000 tons which, hauled to Sydney at three shillings and fourpence a ton, would pay all running costs on the Sydney-Wollongong line.

Ever vigilant, Biggar spotted a major error in the coal production figures for 1874 and 1875, issued by the Colony's Registrar General and the Department of Mines. These had shown a fall in output whereas, according to the district returns obtained by the ubiquitous Biggar, there had actually been a 9.5 per cent. increase. This gave him the opportunity not only to lecture the government statisticians on their shortcomings, but to remind the Sydney public of the rising demand for the excellent steam coal of the Wollongong district which, via the Illawarra Railway, would promote industry, commerce and employment in the city. Cheaper and longer lasting for household purposes than its Newcastle competitor, he advised that Wollongong coal was:

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22 ibid.
23 Votes and Proceedings of the Legislative Assembly, 28 June 1876. In Votes and Proceedings of the Legislative Assembly, Session 1875-6, Vol.1. (Question asked by Archibald Jacob, Member for The Lower Hunter, on Macintosh's behalf).
24 Illawarra Mercury, 3 November 1876. (Letter to Editor from Biggar, 31 October).
something for every wife to talk to her husband about, as the money saved in coals would buy more new dresses for the children, or be otherwise useful to every family.25

Biggar, every bit the small town entrepreneur, had every angle covered. So did the proprietors of the Illawarra Mercury. In the official understatement of Wollongong’s 1875 coal production, they detected a possible conspiracy to damage the district’s reputation as a producer of high quality coal which was enjoying increasing popularity among consumers; even if not a deliberate error, it still had the potential to undermine the efforts of the Illawarra Railway movement.26

John Biggar was truly a man with a mission, who would let nothing tarnish the reputation of Wollongong coal as the finest steam coal on the market—a point central to his case for the Illawarra Railway. Hence, when Archibald Liversidge, Professor of Mineralogy at the University of Sydney, published in the report of the Department of Mines for 1875 his finding that Wollongong coal had a significantly higher ash content than its northern counterpart,27 Biggar reached for his pen. The Professor and the Department, he stated in a letter to the Minister for Mines, had done Wollongong a great disservice in publishing this misleading report. The market, he asserted, preferred Wollongong coal because of its low proportion of impurities. Biggar was right again. The Under Secretary of the Department informed him that, owing to the extra expense involved, Liversidge had not analysed the ash remaining after the combustion tests. Later analysis, he continued, demonstrated Biggar’s point: Wollongong ash did not ‘clinker up’ to the extent of the Newcastle ash.28

Biggar’s commitment to the Illawarra Railway cause, even if it was centred on Wollongong coal and commercial interests, did assist in keeping together the movement on the New South Wales south coast. Shortly before the resumption of Parliament on 12 December,

25 Quoted in Sydney Morning Herald, 15 November 1876. (Letter to Editor from Biggar, 13 November. His letter to John Lucas, Minister for Mines, on the errors in the official statistics, was published in Illawarra Mercury, 5 December 1876).
26 Illawarra Mercury, 21 November 1876.
27 A. Liversidge, ‘Report Upon Certain of the Coals, Iron Ores, Limestones, and Copper Ores of New South Wales’. In Annual Report of the Department of Mines, New South Wales, 1875, p.138. He recorded that the Newcastle samples had a minimum ash content of 2.7 per cent., a maximum of 7.8 per cent., and a mean of 4.57 per cent. The corresponding Wollongong figures were 9.7, 20.7 and 12.88 per cent.
28 Letters from Biggar to the Minister for Mines, 5 October 1876, and Under Secretary, Department of Mines, to Biggar, 21 November 1876, published in Illawarra Mercury, 5 December 1876.
James Warden, Member for Shoalhaven, told a meeting at Ulladulla on the far south coast of his pleasure that a Railway League had been formed in Wollongong. He hoped that the other districts concerned would fall in behind it and see the Illawarra Railway pushed all the way to Jervis Bay.29 In the meantime, the Robertson Ministry had been sorting out its priorities for the third session of the eighth Parliament. Its members had decided that they could not, in such a closely divided Assembly, risk another assault on the patience of Members over the Illawarra Railway. Thus, when Hugh Taylor, Member for Parramatta and an opponent of the scheme,30 asked the Minister for Public Works on 20 December if the Government intended to submit another Estimate for the Illawarra Railway in the current session, Lackey replied that it would not do so.31

The Ministry’s abandonment of the Illawarra Railway simply underlined the strength of the Parliamentary opposition to the scheme. Nonetheless, it was still a blow to the hopes of Wollongong’s businessmen that they would soon be able to reap the benefit of the continuing boom in the coal trade. Their frustration was intense. In 1876 New South Wales coal production had faltered for the first time in seven years, falling by 2.1 per cent. The cause, according to the Examiner of Coal Fields, John Mackenzie, was ‘the general depression during the past year in the coal, iron, and other trades throughout the world.’32 The New South Wales coal trade felt the impact of this slowing of world economic growth in its export markets, which in 1875 had accounted for 68.7 per cent. of total production. In 1876, exports fell by 6.3 per cent. (868,817 tons, down from 927,007 tons in 1875), the real slump being in the important Asian market, which experienced a decline in demand of more than 33 per cent. (See Table following). Only continued economic expansion in the Australian, New Zealand and American markets had prevented an outright depression in the New South Wales coal trade. Yet, the slump was not felt evenly throughout the trade. In Wollongong it was not felt at all. On the

29 ibid.
32 Annual Report of the Department of Mines, New South Wales, 1876, p.130.
## NEW SOUTH WALES COAL EXPORTS, 1875 AND 1876

<table>
<thead>
<tr>
<th>Destination</th>
<th>1875 (Tons)</th>
<th>1876 (Tons)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>259,753</td>
<td>172,847</td>
<td>-33.5</td>
</tr>
<tr>
<td>Australian Colonies</td>
<td>375,375</td>
<td>392,665</td>
<td>4.6</td>
</tr>
<tr>
<td>New Zealand</td>
<td>143,478</td>
<td>150,287</td>
<td>4.7</td>
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<tr>
<td>United States of America</td>
<td>124,565</td>
<td>133,316</td>
<td>7.0</td>
</tr>
<tr>
<td>Other</td>
<td>23,836</td>
<td>19,702</td>
<td>-17.3</td>
</tr>
<tr>
<td>Total Exports</td>
<td>927,007</td>
<td>868,817</td>
<td>-6.3</td>
</tr>
</tbody>
</table>

**NOTE**

ASIA: Burma, Ceylon, Hong Kong, India, Malaya (British Possessions); China; Dutch East Indies (Dutch); Cochin China (French); Japan; Siam (Portuguese); Petropavlovsk (Russia); Phillipine Islands, Guam (Spanish).

OTHER: Mauritius (British); Hawaiian Islands; 'South Sea Islands'; Chile; Peru.

**SOURCE:** Calculated from figures in *Statistical Register of New South Wales, 1875 & 1876.*
contrary, while output from the Newcastle mines fell by 8.5 per cent., that of the Wollongong district rose by 34.1 per cent.\(^3\)

Throughout 1876, the Wollongong coal trade was stretched to the limit. Shareholders in the Bulli Coal Company were told in July by their directors that output in the first half of 1876 had far exceeded that of any other half year since the Company had commenced operations.\(^3\) Indeed, things were moving so briskly that the Company added a new steam collier, the *Merlesworth*, to its fleet.\(^3\) By early 1877 the demand for Bulli coal was so far in excess of the supply that the Company was forced to send its vessels to Wollongong Harbour to take on Osborne Wallsend/Mount Pleasant coal in order to meet its contracts.\(^3\) The two ‘Wollongong Collieries’ were also trading briskly; on 1 August 1876, for instance, the steamer *City of Hobart* left Wollongong Harbour for Melbourne, ‘with one of the heaviest cargoes of coal and coke that has ever left the port.’\(^3\) In January 1877 the *Mercury* was exultant over the number of steam and sailing vessels queuing to enter Belmore Basin. The trade was reported as ‘very brisk’ with large shipments of coal continuing to be made direct to Melbourne.\(^3\) Campbell and Hart noted with particular satisfaction the departure of the *Albert the Good* for Melbourne on 28 January 1877 with 500 tons of coal; this, they stated, was the largest brig ever to have entered Newcastle Harbour, and it departed Wollongong Harbour at high tide, ‘in perfect safety.’ More barges from coal hungry Melbourne were expected in the following weeks.\(^3\)

With all of this came a measure of prosperity. Employment in the Wollongong mines rose from an average of 430 in 1875 to 528 in 1876.\(^4\) The *Mercury*’s Bulli correspondent observed proudly that, ‘Owing to the brisk trade, a good many buildings are going up in the neighbourhood.’\(^4\) The boom in the Wollongong trade was also reviving the interest of big investors. In October 1876 the North Bulli Coal and Iron Company notified the Department of

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33 Calculated from figures in *ibid.*, 1875 & 1876.
34 *Illawarra Mercury*, 28 July 1876.
35 *ibid.*, 4 August 1876.
36 *ibid.*, 26 January 1877.
37 *ibid.*, 4 August 1876.
38 *ibid.*, 4 August 1876.
39 *ibid.*, 26 January 1877.
40 *ibid.*, 30 January 1877.
42 Quoted in *Illawarra Mercury*, 12 January 1877.
Mines of its intention to open the seam on its property, in order to test the quality and thickness of the coal.42 One of the principals in this Company was George Allen, Speaker of the Legislative Assembly and chairman of the Bulli Coal Company.43 There was also increased activity at another of Allen’s Wollongong interests, the American Creek kerosene works at Mount Kembla in the south of the district. Along with the wealthy Sydney entrepreneur Ebenezer Vickery, Allen had taken over the ailing company in 1874. Although it produced about 39,000 gallons of oil in 1875, the works had been closed ‘for the purpose of raising additional capital.’44 They remained idle for most of 1876, until in December the new owners advertised for men, with a view to resuming production ‘with as little delay as possible.’45 James Osborne, joint proprietor with his brother Francis of the Osborne Wallsend mine, had, in partnership with William Ahem, of the Exhibition Shoeing and Foundry Establishment in Wollongong, erected four coke ovens at Belmore Basin, using slack coal from the Osborne Wallsend mine. Following satisfactory tests of the coke at the Pyrmont Foundry in Sydney, Osborne and Ahem intended to erect more ovens; in addition, they had it in mind to manufacture salt and firebricks, some of the necessary equipment having been delivered to the coke works site.46 By August 1876, shipments of coke were being made direct to Melbourne.47

Alexander Stuart’s and John Robertson’s plans to rail their coal from Coalcliff to Sydney may have been set back by the 8 June Division in the Assembly, but by April 1877 they were taking steps to enter the coal trade. Under the supervision of Thomas Hale, the former Bellambi coal proprietor, the construction of a jetty and miners’ cottages was begun at Coalcliff.48 The building of the 500 foot jetty and associated works at Coalcliff bight, a slight indentation in the coastline where the escarpment dropped almost vertically into the sea, was a difficult undertaking,49 but the booming trade in Wollongong coal overcame any ideas that

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43 See Chapter 6.
44 Annual Report of the Department of Mines, New South Wales, 1875, p.5.
45 Illawarra Mercury, 8 December 1876 (advertisement).
46 ibid., 30 July 1875 & 7 March 1876.
47 ibid., 4 August 1876.
48 ibid., 6 & 20 April 1877.
Stuart and Robertson may have had of waiting for Parliament to authorise the Illawarra Railway. Closer to Wollongong itself, Patrick Lahiff was urging the establishment in the near future of an ironworks, to utilise the district’s ‘fine seams’ of coal, iron ore and limestone; £10,000, he believed, would be sufficient capital for the purpose.\textsuperscript{50}

This was what it was all about: new mines, new industries and more wage earners for the Wollongong district. At one level, the promotion of economic change and growth in Wollongong was a celebration and vindication of the mastery over nature that had given British peoples pre-eminence throughout the globe. Thus, the death of Charles Smith, the first white man to clear the land and plant crops in the Wollongong district, in September 1876 was used by Archibald Campbell and Joseph Hart to call to mind ‘the present populous and prosperous position of Illawarra, with its advanced civilization and progress’. Without reference to the civilisation of the Aborigines, the first inhabitants and owners of the district, the \textit{Illawarra Mercury} declared Smith to be:

\begin{quote}
a pioneer in a most practical sense; he cast his lot in the district whilst it was in its wildest condition, and he lived to see it attain a front rank in this colony as regards density of European population and the carrying on of useful industries.\textsuperscript{51}
\end{quote}

For the businessmen, self employed tradesmen and landowners of Wollongong, though, the practical utility of such civilisation and progress as existed in the district in the mid 1870s was to be measured in terms of the material prosperity that it brought. Commenting on the Bulli Company’s decision in March 1878 to enlarge its operations, in response to demand for its coal continuing to outstrip the supply, the \textit{Mercury} pointed to the meaning of this for the district: ‘an increase of population and trade’. Already, said the newspaper, the Bulli Company paid its employees a total of £20,000 to £30,000 a year in wages.\textsuperscript{52} This was a fabulous sum, and for the \textit{Illawarra Mercury}, the voice of business in Wollongong, it followed that civilisation and progress in the district had to be identified with the fortunes of the companies that had given it birth. Bulli, said the Mercury:

\textsuperscript{50} \textit{Illawarra Mercury}, 6 April 1877. (Letter to Editor from Lahiff, 3 April).
\textsuperscript{51} \textit{ibid.}, 29 September 1876.
\textsuperscript{52} \textit{ibid.}, 29 March 1878.
has by no means reached the limits of its progress or the zenith of its prosperity. On the contrary, its greatness is only in swaddling clothes, being carefully rocked in the cradle of the Bulli Coal Company.53

This did not, however, impart sufficient meaning to the life of one of the district's and the Colony's leading capitalists, James Osborne. An heir of Henry Osborne, the wealthiest man in New South Wales in his day, and a proprietor of the Osborne Wallsend mine and the Wollongong Coke Works at a time when the local coal trade was enjoying its best years ever, he was being treated for a 'nervous depression' which led him, at the age of 33, to end his existence on 11 April 1877 with a pistol shot, administered in his room at the Union Club in Sydney.54

The shock occasioned by Osborne's suicide was duly registered in the columns of the Illawarra Mercury and soon faded into private memory. Of more enduring public concern for Wollongong's businessmen was the failure of their district's coal trade to acquire that dominance over the markets for New South Wales coal which they believed the quality of their coal warranted. The fact that in 1876 the output of the Wollongong mines had risen while the overall production and exports of the Colony's coalfields had declined, pointed to what they had claimed all along—that the markets preferred the Wollongong product, if they could get it. Throughout 1876 the resources of the Wollongong Collieries and the Bulli Company had been stretched to the limit to cope with the demand for the district's coal. Even though some vessels were trading direct from Wollongong Harbour to Melbourne, these were predominantly sailing ships carrying relatively small loads. They did not increase Wollongong's share of the Melbourne market which, since the late 1850s, had been the particular target of Wollongong's businessmen.

That market, which in 1876 accounted for 20 per cent. of total New South Wales coal production and 30.4 per cent. of exports, had help up well, taking 7.2 per cent. more coal in that year than it had in 1875. However, the benefit to Wollongong had been marginal. In 1875 the Wollongong mines had sent 14,148 tons of coal to Melbourne, or 5.7 per cent. of the total sent there from New South Wales. In 1876, Wollongong exported 15,021 tons to Melbourne.

53 ibid.
54 Sydney Morning Herald, 11 & 12 April 1877, and Illawarra Mercury, 13 & 17 April 1877.
an increase of 6.2 per cent., but this still gave the southern mines only 5.7 per cent. of the market for that year. \(^{55}\) Newcastle had managed to maintain its stranglehold on the single most lucrative market for New South Wales coal. Wollongong’s businessmen put this down to the ‘utterly inadequate’ Belmore Basin which they said was fine for small vessels but not for those able to carry large cargoes of coal. \(^{56}\) Their firm belief was that the Illawarra Railway would have allowed even the existing mines to slake the market’s thirst for the high quality steam coal for which Wollongong had a growing reputation. Furthermore, they blamed the high cost of Newcastle coal for the slump in exports to Asia in 1876. English coal companies, the Mercury claimed, was being sold at well below the price of Newcastle coal in China and India; cheaper, better quality Wollongong coal could, via the Illawarra Railway and Sydney Harbour, have undercut the English companies and at least softened the impact of the slump. Newcastle’s dominance of the export trade and the high price of its coal were being artificially protected by Wollongong’s lack of access to decent export facilities, and the Colony was losing export income as a result. \(^{57}\)

The frustration of Wollongong’s businessmen was intensified in March 1877 when official figures were released showing that in the previous year New South Wales coal took the largest share of the Californian market from English companies, for the first time: 131,695 tons from New South Wales, and 121,948 from England, of the 648,388 tons imported by California. In the Illawarra Mercury’s view, it was a market that should belong entirely to New South Wales. The English ships had to traverse the Atlantic and Indian Oceans before crossing the Pacific to the American west coast; yet, the English could get their coal there at prices often below those of the Newcastle mines. A Sydney-Wollongong railway, said Campbell and Hart, by loosing cheaper Wollongong coal on to the market would shut out other competitors. However, they noted, this proposal did not suit the Newcastle monopolists, who were happy to

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\(^{55}\) Calculated from figures in Statistical Register of New South Wales, 1875 & 1876 (New South Wales coal exports), and Annual Report of the Department of Mines, New South Wales, 1876, p.131 (Newcastle coal exports, 1875 & 1876). Wollongong figures calculated by subtracting Newcastle exports from New South Wales exports.

\(^{56}\) Illawarra Mercury, 15 September 1876.

\(^{57}\) ibid., 1 September 1876.
maintain a limited output of coal from New South Wales in order to protect the high prices they had to charge to cover their costs.58

Wollongong’s businessmen were determined to destroy Newcastle’s grip on the Colony’s coal trade, and they were not deterred in the least by the Parliamentary hiding that their Illawarra Railway had suffered in June 1876. The boom in the Wollongong coal trade showed no sign of abating, despite the overall downturn in New South Wales coal output in 1876; the market had signalled its preference for Wollongong coal, and the district’s businessmen were going to do everything in their power to oblige it. Thus, on 13 February 1877, Samuel Gray gave notice of his intention to move that the Legislative Assembly go into Committee to consider three resolutions: that the population and mineral and agricultural resources of the Wollongong, Kiama and Shoalhaven districts demanded the construction of a railway from Sydney to Jervis Bay; that the Parliament instruct the Ministry to proceed immediately with the project, and that the preceding resolutions be communicated by Address to the Governor.59

This was a quixotic gesture, betraying the frustration of Wollongong’s businessmen at not being able to transform the economy of their district and their desperation to reap the monetary benefit of the coal boom. Added urgency was imparted by the Department of Mines’ view that New South Wales coal sales would pick up markedly in 1877. Samples of the Colony’s coal displayed at the Philadelphia Exhibition of 1876 were expected to boost foreign orders, and the expansion of manufacturing in New South Wales and adjoining Colonies and the growing scarcity of firewood near centres of population would likewise boost demand on the domestic front.60 Even so, it was barely conceivable that Gray could have believed that the same Parliament which had rejected so clearly the Robertson Ministry’s Sydney-Wollongong railway Estimate eight months earlier could now be turned around to ask the Ministry to resubmit it, and this time include provision for the Wollongong-Jervis Bay section. Gray had had too much Parliamentary experience to think such a thing possible. Popularly known as

58 ibid., 16 March 1877.
'Poodle' from his days as the Member for Kiama between 1859 and 1864, when he had been at the service of the then Premier 'Slippery Charlie' Cowper as an unofficial whip for Cowper's faction, Gray was renounced for his ability to read the mood of the Assembly and to get the numbers together:

The Minister's dog was a poodle Gray,
And he dogged the Minister night and day;
He ran upon errands when he was bid,
And he fetched and carried—this poodle did . . .

A neat whipper-in did the poodle make—
He'd have whipped his own dad when a vote was at stake;
The Minister's herds he could whip together,
And muster the strangers in troubled weather . . .

His touch had deserted him on the Illawarra Railway, for which he had been unable to muster a decent vote over the opposition of the Newcastle-Hunter region Members and those representing the squatting districts in the interior.

Undoubtedly, Robertson and his Treasurer, Alexander Stuart, were keen to see the scheme realised. However, they knew that opinion in the Assembly had some way to go before any Ministry could take it up with confidence. After all, barely eight weeks had passed since John Lackey's statement of 20 December that the Ministry would not pursue the matter in the current session. The only value of Gray's resolutions was to keep the Illawarra Railway on the political agenda and to maintain public interest in the southern districts and in Sydney.

Any Ministerial support that Gray's resolutions might have enjoyed, vanished in March 1877 with the fall of the Robertson Government, a victim of four successful censure motions in nine days.\textsuperscript{62} Five of the seven Members appointed to the new Parkes Ministry, including the Premier, had voted against the Illawarra Railway in June 1876.\textsuperscript{63} Consequently, Wollongong's businessmen now enjoyed their worst relationship with a Ministry since William Forster's Government of 1859-1860 attempted to reduce the vote for the Wollongong Harbour


works. So intense was the feeling of betrayal left by Parkes that there had been no effort by Biggar or anyone else to rebuild the bridges. After June 1876 the *Mercury* continually attacked Parkes over the propriety of his acquisition of public lands at Jamberoo and Jervis Bay while he was Premier. In December, Campbell and Hart set him alongside a list of English Ministers who had been impeached for laying hold of public lands while in office. The Wollongong Debating Society had declared, 'by a large majority', that John Robertson was a 'greater statesman' than Parkes, and by April 1877 there was no going back. 'Of all our public men,' stated Campbell and Hart, 'Mr. Parkes had earned for himself the most unenviable notoriety as a heartless deserter of old friends, both political and private.' Perhaps, but he was Premier because he was able to command, however tenuous his grip, the confidence of the House. The Illawarra Railway movement had run out of steam. Gray’s resolutions lay dormant on the Assembly’s notice paper; if he moved their adoption, defeat was certain. Indeed, for the remainder of 1877 the movement went into hibernation. No public action was taken to force the hand of either the Ministry or the Parliament—no meetings, no petitions and no deputations.

It was a very low point for Wollongong’s businessmen. As expected, the Colony’s coal trade grew again in 1877, giving a little joy to the business houses of Wollongong, but in relative terms the trade stood still. New South Wales produced 9.4 per cent more coal than in 1876, and exports were up by 5.4 per cent. The Asian market demanded 33.7 per cent more coal, regaining the ground lost in the previous year. The only fall of any consequence was in the United States, which took 23.4 per cent less coal than in 1876. The single largest market for New South Wales coal, Melbourne, took 294,781 tons in 1877, a rise of 11.5 per cent over 1876. Yet, despite the fact that throughout 1877 Wollongong Harbour was ‘constantly crowded with vessels’ and that continuing high demand from Melbourne had kept the local trade ‘unusually brisk’, the Wollongong mines could command only 6.7 per cent of that market (see Table following).

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64 *Illawarra Mercury*, 12 December 1876. Similar attacks were carried in the issues of 23 June & 29 September 1876.
65 *ibid.*, 30 June 1876.
66 *ibid.*, 3 April 1877.
67 Calculated from figures in *Statistical Register of New South Wales*, 1876 & 1877.
68 *Illawarra Mercury*, 17 August 1877. (Letter from ‘COAL’ to Editor, 15 August).
69 *ibid.*, 11 December 1877.
**WOLLONGONG DISTRICT COAL MINES: PRODUCTION & EXPORTS, 1875-1877**

<table>
<thead>
<tr>
<th>MARKET/DESTINATION</th>
<th>1875</th>
<th>1876</th>
<th>1877</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of District Production</td>
<td>% of New South Wales Exports</td>
<td>% of District Production</td>
</tr>
<tr>
<td></td>
<td>Tons</td>
<td></td>
<td>Tons</td>
</tr>
<tr>
<td><strong>1. EXPORTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Colonies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Queensland</td>
<td>1,290</td>
<td>0.9</td>
<td>18.6</td>
</tr>
<tr>
<td>South Australia</td>
<td>7,823</td>
<td>5.2</td>
<td>7.4</td>
</tr>
<tr>
<td>Tasmania</td>
<td>660</td>
<td>0.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Victoria</td>
<td>14,148</td>
<td>9.5</td>
<td>5.7</td>
</tr>
<tr>
<td>Western Australia</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Australian Colonies</td>
<td>23,921</td>
<td>16.0</td>
<td>6.4</td>
</tr>
<tr>
<td>New Zealand</td>
<td>2,958</td>
<td>2.0</td>
<td>2.1</td>
</tr>
<tr>
<td>Overseas</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Total Exports</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td><strong>2. DOMESTIC USE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wollongong &amp; Sydney</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td><strong>3. TOTAL PRODUCTION</strong></td>
<td>149,327</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Source:** Calculated from figures in Statistical Register of New South Wales, 1875-1877 (New South Wales exports), and Annual Report of the Department of Mines, New South Wales, 1875-1878 (Newcastle exports). The Wollongong figures were calculated by subtracting Newcastle's exports from those for New South Wales. The remainder of total Wollongong production, after accounting for exports, is taken to be the quantity of coal consumed locally and shipped to Sydney for use by householders, manufacturers, steamship companies, etc. Separate 'Overseas' and 'Wollongong & Sydney' figures for 1875 are not available, owing to a discrepancy in the official statistics, which gives a figure for Wollongong exports greater than its total production for that year. The combined 'Overseas' and 'Wollongong & Sydney' figure for 1875 was 122,448 tons, equivalent to 82 per cent. of district production.
These figures underlined the frustration of Wollongong's businessmen. The Colony's coal trade was enjoying its best period of expansion to date; the Wollongong district produced a relatively cheap, high quality steam coal and was 150 miles closer to Melbourne by sea than was Newcastle. Yet, the Wollongong coal trade was able to take and hold only a marginal share of that market. Wollongong did better in overseas markets, but even here Newcastle claimed 70 per cent. or more of the spoils. The chronic inability of Wollongong to break Newcastle's grip was a direct result of the inadequate means at the disposal of the southern coalfield for getting its coal to market. From the perspective of Wollongong's businessmen, two consequences followed from this. First, the existing mines were, at a time of high demand, unable to produce and export to their full capacity. Second, the big investors were being deterred from opening new mines in the district. Either way, local business houses were missing out on the potential cash bonanza that had been available to them from the early 1870s.

The boom of the 1870s was driving home forcibly to Wollongong's businessmen the necessity of finding an alternative to the Bulli Coal Company's jetty and Wollongong Harbour for the export of the district's coal. These two facilities had failed hopelessly to meet the expectations of Biggar and his colleagues. In the five years following the completion of Wollongong Harbour (1868-1872, inclusive), years of recession for the Colony's coal trade, the district supplied an annual average of 13.6 per cent. of the coal sent from New South Wales to intercolonial and overseas markets; in the succeeding five years (1873-1877, inclusive), as the trade recovered and expanded rapidly, that share rose only slightly, to an annual average of 16.3 per cent. (see Table following). In terms of total production of coal in New South Wales, the Wollongong mines contributed, between 1868 and 1872, inclusive, an annual average of 11.2 per cent., which rose to only 12.7 per cent. during the boom years between 1873 and 1877, inclusive.70 Wollongong, despite the boom, remained a marginal contributor to the New South Wales coal trade.

With their economic aspirations effectively blocked by the Newcastle coal proprietors and the Parliament, Wollongong's businessmen faced yet another crisis. The Illawarra Railway movement had stalled and their new Railway League had been rendered impotent.

70 Calculated from figures in Statistical Register of New South Wales, 1868-1873, and Annual Report of the Department of Mines, New South Wales, 1874-1877.
NEW SOUTH WALES COAL TRADE: NEWCASTLE AND WOLLONGONG
SHARES OF INTERCOLONIAL AND OVERSEAS EXPORTS, 1868-1877

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NEWCASTLE COAL</th>
<th>WOLLONGONG COAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tons Exported</td>
<td>% of Total</td>
</tr>
<tr>
<td>1868</td>
<td>480,069</td>
<td>87.6</td>
</tr>
<tr>
<td>1869</td>
<td>503,866</td>
<td>84.6</td>
</tr>
<tr>
<td>1870</td>
<td>511,545</td>
<td>88.4</td>
</tr>
<tr>
<td>1871</td>
<td>489,714</td>
<td>86.6</td>
</tr>
<tr>
<td>1872</td>
<td>565,994</td>
<td>84.6</td>
</tr>
<tr>
<td>1873</td>
<td>650,899</td>
<td>84.2</td>
</tr>
<tr>
<td>1874</td>
<td>723,844</td>
<td>82.9</td>
</tr>
<tr>
<td>1875</td>
<td>771,144</td>
<td>83.2</td>
</tr>
<tr>
<td>1876</td>
<td>719,050</td>
<td>82.8</td>
</tr>
<tr>
<td>1877</td>
<td>781,502</td>
<td>85.3</td>
</tr>
</tbody>
</table>

SOURCE: Calculated from figures in Statistical Register of New South Wales, 1868-1877 (New South Wales exports), and Annual Report of the Department of Mines, New South Wales, 1877, p.189 (Newcastle coal exports). Wollongong figures arrived at by subtracting Newcastle exports from those for New South Wales. The 1875 figure for Wollongong is incorrect; owing to an overstatement in the New South Wales figure, or an underestimation in the Newcastle figure, the quantity shown exceeds actual total production in Wollongong of 149,327 tons for 1875.
Consequently, they looked again to improving their Harbour as a means of extracting some extra cash from the boom in the coal trade. In July 1877, Alderman George Osborne, undertaker and timber merchant of Crown Street, Wollongong, and one of the founding members of the Railway League, proposed that the district’s municipal councils should act jointly to press the government to improve and enlarge Wollongong Harbour, to allow large sailing vessels and steamers to load coal. The Mercury’s proprietors agreed that the time was appropriate for such action; while maintaining that the Illawarra Railway was ‘the best of all means’ for exporting the produce and coal of the district, they believed that, having blocked the Railway, the Parkes Ministry ‘cannot surely have the hardihood to also decline the granting of sufficient sums of money wherewith to provide ample harbor accommodation . . . along the coast.’ The Ministry was not entirely unsympathetic, but it was not generous. It had already allocated £3000 for the improvement of Wollongong Harbour, a sum which allowed a 22 foot section to be cut from the northern corner of Belmore Basin; this widened the entrance to the Basin by about 40 feet, enabling vessels to turn more easily.

The local councils could not reach agreement on the question of pressing for more public expenditure on Wollongong Harbour. In the face of Parliament’s refusal to sanction the Illawarra Railway, the Aldermen either turned to the interests of their particular municipalities or simply became confused as to the best method of attracting mining capital to the district. Alderman Fenwick of Shellharbour Council, at the southern, farming, end of the Wollongong district, told his colleagues that they must look ‘to the welfare of this part of the district’. The dairy farmers there had formed the Shellharbour Steam Navigation Company in 1868, and their little wooden steamer, the Dairymaid, plied regularly between Shellharbour and Sydney with cargoes of milk, butter and other produce. Fenwick’s colleagues agreed that this was where their interests lay, and the Council consequently decided to put its weight behind an appeal to

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71 Illawarra Mercury, 27 October 1876 (Advertisement).
72 ibid. He was appointed a member of the committee charged with establishing branches of the League, along the route of the proposed Illawarra Railway.
73 ibid., 17 July 1877.
74 ibid.
75 ibid., 26 June & 27 November 1877.
76 Quoted in ibid., 31 July 1877.
the government for £5000 for a breakwater for Shellharbour. Central Illawarra Council, representing farming interests just south of Wollongong, voted not to pursue the Wollongong Harbour option, splitting five-five on the question; some Aldermen thought that the Illawarra Railway scheme was at that time too visionary a scheme; others thought that any agitation over Wollongong Harbour would further undermine the Railway movement, and yet others believed that both schemes should be pushed simultaneously. North Illawarra Council, which covered the northern half of the district, did support Wollongong Council’s proposal to seek more public money for the Harbour, but not without some Aldermen seeing the moment as ripe to push for the resurrection of Bellambi Harbour as the district’s main port of shipment. Alderman Brennan opposed any expenditure on Wollongong Harbour: ‘it could not be made any more than a fishing pond as it was at present.’ The net result of all these deliberations was that nothing happened. Whether the district’s businessmen and farmers constituted themselves as municipal councils or as a Railway League, they were equally powerless to move the Parliament or the Ministry.

The torch was held aloft by John Biggar. Biggar, when not following his calling of auctioneer and estate agent, as which he had been trying to sell coal lands at Bulli, continued his other career as publicist for Wollongong coal and the Illawarra Railway. In July 1877, for instance, he attacked one correspondent to the *Sydney Morning Herald* for having the temerity to state that the Illawarra Railway proposal would be redundant if coal could be mined beneath Sydney itself. Biggar’s reply comprised detailed figures on the costs of mining, and suggested that the Illawarra Railway would supply Sydney with coal for 10 shillings a ton, a 16.7 per cent reduction on the existing price of 12 shillings a ton. This drew fire from Patrick Lahiff of the Mount Pleasant mine, who described Biggar’s calculation of mining costs as nonsensical. He went further, dismissing ‘Mr. Biggar’s delusion of a railway to Wollongong’, noting that the latter’s frequent public utterances on the scheme were ‘statements . . . calculated to mislead

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78 *Illawarra Mercury*, 31 July 1877.
79 *ibid.*, 20 November 1877.
80 *ibid.*, 3 August 1877.
81 *ibid.*, 19 January 1877.
82 *Sydney Morning Herald*, 17 July 1877 (Biggar); the letter that sparked his reply was in *ibid.*, 14 July.
the public, more especially capitalists who are disposed to invest in coal.' Lahiff, of course, had no interest in a railway that might inject some real competition into the local coal trade, but his sentiments had some force. The public slanging between himself and Biggar went on for weeks, drawing from Biggar some typical hyperbole; for example, his insistence that the Railway would, within a short time, be the means of opening a further 30 to 40 mines in the Wollongong district.

While Biggar busied himself with protecting his Illawarra Railway from all and any criticism, Samuel Gray proceeded cautiously, indeed silently, in the Assembly. If there was any doubt about the Parkes' Ministry's attitude to the Illawarra Railway, it had been dispelled by the Premier's statement at his ministerial re-election for East Sydney that, 'he would never be a party to spend a single shilling of the public money upon a railway to Illawarra.' Nonetheless, after Parkes had been in office for a few months, Gray gave notice that he would move his Illawarra Railway resolutions after all. He intended to do so on 24 July but, 'for reasons which were deemed advisable by Mr. Gray and other supporters of the Illawarra Railway in the Assembly', postponed them until 21 August. Parkes had found the Assembly to be just as unmanageable as it had been under Robertson. 'We had as smooth a time,' Parkes ruefully recalled, 'as the toad under the harrow'. His Ministry was buried under the weight of interminable debate on the Estimates, as a consequence of which:

We did little and had little satisfaction in what we attempted to do. Eventually the management of the Assembly was taken out of our hands by moving and carrying the adjournment against us ... So we made way for Sir John Peterson.

Gray's postponement of his resolutions may have been done in the knowledge that Parkes was soon to be squeezed out of office. However, if the Member for Illawarra expected that the fourth Robertson Ministry, sworn in on 17 August, would be willing to test the Assembly's feeling on the Illawarra Railway, he was mistaken. Robertson's and Stuart's
Coalcliff mine would certainly have benefitted from a railway to Sydney. However, while the Parliament refused to sanction the use of public money for the purpose, the two men were prepared to act privately to get the mine underway. After all, there were exceptionally good profits to be made from coal. The Bulli Coal Company announced a net profit of over £14,000 for the half year to 30 June 1877, an increase of almost 75 per cent. on the net profit for the first half of 1876. Hence, on 27 November 1877, the steamer Manly took a shipment of Coalcliff coal to Sydney; in January 1878 the Company chartered a steamer for 12 months, for the Sydney run, and in April 1878 Alexander Stuart left Sydney for England to arrange for the building of two steam colliers for the Coalcliff Company—one for the Sydney trade and one for the Melbourne and other intercolonial markets.

Unlike Robertson and Stuart, Wollongong's businessmen had no choice but to wait for political circumstances more favourable to the Illawarra Railway before they could hope to benefit from the rising demand for New South Wales coal. The Robertson Ministry did nothing about the scheme, and Gray's resolutions languished on the Assembly's notice paper. Not that it mattered. In September the Government was narrowly defeated on a Consolidated Revenue Bill, and Robertson tendered his resignation to the Governor, Sir Hercules Robinson. Robinson offered commissions to Stephen Brown, the Member for Newtown, and to Alexander Stuart. However, neither was able to form a Ministry, and on 12 October Sir Hercules dissolved the eighth Parliament and issued writs for a general election. This closely divided Parliament had lasted for 32 months, just short of its allotted span of three years, in which time it had seen four Ministries come and go.

For the promoters of the Illawarra Railway the central question was whether the general election would return a Parliament willing to sanction the scheme. In the Illawarra electorate it was the only issue. The Railway was the ground of Samuel Gray's justification of his tactic of general support for the Robertson Ministry in the late Parliament. He had not, he told his

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90 *Illawarra Mercury*, 3 August 1877. The actual figure was £14,007.5s.7d.
91 *ibid.*, 28 July 1876. The net profit was £8032.4s.1d.
92 *ibid.*, 30 November 1877.
93 *ibid.*, 8 January 1878.
94 *ibid.*, 16 April 1878.
constituents, approved of every policy of that Ministry; he supported it because of the ‘traitorous manner’ in which Henry Parkes had dealt with the Illawarra Railway: ‘He supported Sir John Robertson and his party because that party was ready and willing to do justice to Illawarra.’96 Willing perhaps, but the Robertson Ministry had shown that it was not prepared to sacrifice itself in the Assembly over the Illawarra Railway. Hence, in order to keep the Railway politically alive, Gray had no option but to keep his resolutions on the notice paper and await an opportune moment to move them. He explained at an election meeting in Wollongong why he had allowed his resolutions to remain on the notice paper for so long. It was better, he said, to wait for a couple of other railway proposals to be passed first; once these ‘most strongly supported lines’ had been accepted, ‘the Illawarra line could not be refused.’97

It was a curious strategy, to believe that the Assembly, swept up by a spirit of giving, would allow the Illawarra Railway to glide through an Estimates debate. Nonetheless, Gray’s determination to ‘push the Illawarra Railway project to the utmost’98 in the next Parliament won him the approbation of his electorate. His election committee was organised by John Biggar himself,99 and Andrew Armstrong, Mayor of Wollongong, district agent for the sale of the Mount Kembla Coal and Oil Company’s Star Kerosene and other oils100 and ‘private friend and public supporter’ of Gray, officiated at the latter’s campaign opening in Wollongong.101 No questions were put to Gray at that meeting, attended by 300-400 people in the Temperance Hall, and the motion for his re-election, moved by local solicitor Francis Woodward and seconded by Biggar, was carried unanimously.102 At the nomination for Illawarra on 26 October, Gray was returned unopposed. The Mercury offered its congratulations and support to Gray, noting that this was the first uncontested election for the seat. It also warned him to be punctilious in his attendance at divisions in the Assembly and to pursue Wollongong’s interests with vigour.103

96 Quoted in Illawarra Mercury, 26 October 1877.
97 Quoted in ibid., 30 October 1877.
98 Quoted in ibid., 26 October 1877.
99 ibid., 30 October 1877.
100 ibid., 24 April 1877.
101 ibid., 26 October 1877.
102 ibid.
103 ibid., 30 October 1877.
What, though, of the new Parliament within which Gray would seek to bring the Illawarra Railway scheme to fruition? At his nomination Gray had described the previous Parliament as ‘the most useless and perverse . . . that had ever been returned by the country.’ The general election produced some mixed results for the supporters of the Illawarra Railway. Although Parkes could only manage fifth place in East Sydney, just missing out on election, he was successful in being elected as one of the two Members for Canterbury, a suburban seat in southern Sydney—an area which would have been one of the major beneficiaries of a Sydney-Wollongong railway. John Robertson finished sixth in his seat of West Sydney and was forced to nominate for two country seats (East Macquarie and Mudgee), having the distinction of being returned for both of them. On the whole, though, the Illawarra Mercury found the composition of the ninth Parliament ‘most cheering’. Of the eight Members elected to represent the seats of East and West Sydney, it claimed that seven had declared in favour of the Illawarra Railway ‘or are understood to be supporters of the project,’ and stated that the only prominent opponent of the Railway to be returned was Henry Parkes. Campbell and Hart were particularly gleeful that George Lloyd had been tipped out by the voters of Newcastle, despite his having ‘placarded’ the town with anti Illawarra Railway posters; they claimed, rather optimistically, that this demonstrated that the people of Newcastle had ‘come to their senses’ about the Illawarra Railway. Of the 29 Members who had voted against the Railway in June 1876, nine were not returned to the new Assembly. Among that nine were some of the most vocal opponents of the scheme, principally William Piddington, Treasurer in the two previous Parkes administrations, and George Dibbs, who lost his West Sydney seat. Of the 12 who had supported the Illawarra Railway in 1876, only one, said the Mercury, had actually lost his seat—Richard Hill. It failed to point out, however, that his seat was Canterbury and that the man who replaced him in the Assembly was Henry Parkes. Similarly, the paper failed to note that while some individual opponents of the

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104 Quoted in ibid.
105 Sydney Morning Herald, 25 October 1877.
106 ibid., 24 October 1877.
107 Illawarra Mercury, 16 November 1877.
109 Illawarra Mercury, 16 November 1877. James Warden, Member for Shoalhaven, did not seek re-election.
Illawarra Railway had, for a variety of reasons, lost their seats, the regional and factional interests that they had represented in the Assembly had not vanished with them.

The general election over, the ninth Parliament met on 27 November to determine who would sit at the head of the Colony’s public affairs. The old Robertson Ministry held on for less than a day, falling victim to a vote of no confidence by 33 votes to 31.\(^{110}\) Neither Robertson nor Parkes were able to muster enough support to take power, owing to the emergence of a growing number of non-aligned Members who were disenchanted with the increasingly pointless struggle for office between the two major faction leaders. Finally, a so-called ‘Third Party’, composed of a ‘mixed group of men ... who ... were anxious to see politics turn less on personalities and more on positive legislation,’\(^{111}\) emerged to propel James Farnell, Member for the north Sydney seat of St. Leonards and mover of the no confidence motion, into the Premiership.

This was not particularly good news for the promoters of the Illawarra Railway. Farnell, an old friend of Parkes\(^{112}\) and Minister for Lands in the latter’s Ministry of 1872-1875, had voted against the Railway in 1876, as had four of the six Members he now included in his Ministry (Henry Cohen, Michael Fitzpatrick, Joseph Leary and John Sutherland).\(^{113}\) The other two were William Suttor and John Burns. Suttor, who represented the squatting seat of East Macquarie, had not been in the House on 8 June 1876, but had previous declared his antipathy to the Sydney-Wollongong railway.\(^{114}\) Burns, Postmaster General in Robertson’s 1875-1877 Ministry now filled the same post for Farnell; he had voted for the Illawarra Railway in 1876, but only to preserve Cabinet solidarity. He was also the Member for The Hunter and as such a confirmed opponent of the proposal.

It was John Sutherland, Farnell’s Minister for Public Works, who posed the greatest threat within the new Ministry to the Illawarra Railway. In part, this was due to his and Parkes’ continuing efforts to interest Melbourne capitalists in their Jamberoo coal property. By late 1877, however, the main danger not just to the Illawarra Railway but to the Wollongong

\(^{110}\) Parkes, op.cit., p.297.


\(^{112}\) idem.

\(^{113}\) Weekly Report of Divisions in Committee of the Whole, op.cit.

\(^{114}\) Sydney Morning Herald, 21 January 1876.
coal trade lay in Sutherland’s financial interest in the as yet nascent western coal trade centred on Lithgow, some 70 miles west of Sydney.

Mining had commenced at Lithgow in 1858, to provide coal for a local wool mill. Until 1874 the district produced less than one per cent. of the Colony’s coal in any one year. However, with the general economic recovery and expansion of the 1870s, things began to move. By 1870 the Great Western Railway had reached Lithgow, as it was pushed on toward the wool growing region around Bathurst, about 125 miles west of Sydney; by 1875 the Railway ran ‘through the midst’ of five small mines in the Lithgow Valley, employing 67 men getting 38,812 tons of coal, and close to the Lithgow Valley Iron Works and the Eskbank copper smelting works. C.S. Wilkinson, the government’s Geological Surveyor, saw great things ahead for the district:

By the extension of this railway into the gold and copper mining districts there will open an increasing demand for the coal, iron, and firebricks; while the copper smelting works at the coal mines will receive additional supplies of ore and regulus by the greater facilities of carriage thus afforded, and local enterprise will be stimulated.

This was, of course, the utopia dreamed of by Wollongong’s businessmen—their town at the heart of a mining and manufacturing region. Lithgow might have been an insignificant player in the New South Wales coal trade, but it showed signs of growth, growth that might well prove inimical to the interests of Wollongong’s businessmen. In 1872 coal was railed from Lithgow to Sydney for the first time. In that year Lithgow’s output comprised a mere 5221 tons of coal, or just over four per cent. of the 123,482 tons produced by the Wollongong mines. By 1875, however, 36,097 tons of western coal was being railed to Sydney—93 per cent. of the 38,812 tons produced in that year, which itself represented 26 per cent. of

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115 Calculated from figures in Statistics of New South Wales for the Years 1850-1859, and Statistical Register of New South Wales, 1860-1874.
117 Quoted in ibid., pp.115-6.
119 Calculated from figures in Statistical Register of New South Wales, 1872.
120 Lee, loc.cit.
Wollongong’s output. In 1877 the western mines’ output stood at 35 per cent. of Wollongong’s.

Although Lithgow coal was better suited for gas making than steam generating purposes, it nonetheless represented the arrival of more competition in the Sydney market where Wollongong was already battling with Newcastle. Time was pressing on Wollongong’s businessmen; if the western coalfield continued to develop apace, there might be little sense in anyone suggesting the expenditure of almost £1,000,000 to link the southern coalfield to Sydney by rail.

Lithgow’s ability to acquire and sustain a share of the Sydney coal market was given to it by John Sutherland. As well as being James Farnell’s Minister for Public Works, with responsibility for the Colony’s railways, he was one of the principal shareholders in the Eskbank iron works. Consequently, he secured for Lithgow’s mines and factories an average reduction of 70 per cent. on railway freight charges, a level of protection that remained in place for many years. This combination of public duty and private interest gave the Lithgow district a great impetus, and by early 1878 the Illawarra Mercury’s Sydney correspondent was reporting that the place was a hive of mining and manufacturing activity; ‘Lithgow,’ he said, ‘is to become the Birmingham of Australia’. Had Wollongong, like Lithgow, had the good fortune to lie between Sydney and one of the Colony’s major wool growing regions, it may well have had its railway by 1878. However, it did not. Consequently, the hopes of Wollongong’s businessmen for the expansion of mining and industry in their district lay with Samuel Gray’s Illawarra Railway resolutions, which he planned to move in the Assembly on 10 February 1878. Then would come the test of the Mercury’s view that the general election had produced a Legislative Assembly better disposed toward the scheme.

121 Calculated from figures in Annual Report of the Department of Mines, New South Wales, 1875.
122 Calculated from figures in ibid., 1877.
125 Quoted in Illawarra Mercury, 12 March 1878.
126 ibid., 12 February 1878.
Before the Assembly had the opportunity to vote on Gray's resolutions, the Illawarra Railway made a late convert. During the Christmas-New Year Parliamentary recess, Hugh Taylor, Member for Parramatta, had visited Wollongong. In part, he said, his visit to the district had begun to remove his prejudices against the Illawarra Railway, and he freely admitted that his vote against it in June 1876 had been misguided. He now believed that the mineral and agricultural resources of the southern districts warranted a railway to Sydney Harbour. The moment of Taylor's conversion, though, seems to have occurred when the coach conveying him back to Parramatta careened off the edge of Bulli Pass. It was a nasty accident, and Taylor vowed to support the case of Wollongong's businessmen for safer and more efficient communication with the metropolis.\footnote{Sydney Morning Herald, 25 December 1877. (Taylor's letter of 24 December).} The Illawarra Mercury seized on Taylor's change of mind, claiming that many of those Members who had opposed the Railway as an unnecessary expenditure of public money had acted from an ignorance of the region's resources.\footnote{Illawarra Mercury, 11 January 1878.}

Whether Hugh's conversion on the road to Parramatta would tip the political balance in the Illawarra Railway's favour remained to be seen. The test of the Assembly's feeling on the question began on 19 February 1878 when Samuel Grey at last moved that the House go into Committee to consider his resolutions. Speaking to his motion, the Member for Illawarra assembled all of the by now standard arguments for the proposal, following which the Minister for Public Works, John Sutherland, rose to announce that the Ministry was opposed to the resolutions. However, the opposition it offered was of a subtle kind. Sutherland moved that Gray's motion be amended to read that the House request the Government to take steps to complete the Illawarra Railway survey, which thus far had been taken only as far as Wollongong, all the way to Jervis Bay. This done, said the Minister, the Government would then reconsider its attitude toward the actual construction of the line. It was a clever ploy, designed to hold together the anti Illawarra Railway forces in the Assembly. These included Members like John Macintosh (East Sydney) who was less concerned about the economic viability than the technical feasibility of the line proposed by the Railway Committee. As Macintosh told the Assembly, he had:
on former occasions... voted against the Illawarra line, because he did not approve of the particular line proposed, but he had never been against the policy of having a line there. If the Secretary for Works would get a better line, he was quite willing to vote for his amendment.\textsuperscript{129}

The amendment itself was an indication of the Farnell Ministry's fear that opinion in the Assembly had moved some way toward the Illawarra Railway. Had the Government been confident of its own position it would simply have gone to a division on Gray's motion which, if defeated, would see the Illawarra Railway cast out from the Assembly once again, without the need to debate the fine detail of Gray's resolutions in Committee. However, the Ministry was not that confident, Sutherland's little strategem being an attempt to modify the content of those resolutions before they came on for debate. Gray saw straight through it and urged the House not to be seduced by the Ministry's apparent willingness to compromise. He knew that the getting together of a survey team, the completion of the survey, the drafting of plans and the framing of an Estimate would effectively shelve the Illawarra Railway for at least two to three years. Of course, that would mean the shelving with it of the Sydney-Wollongong section, which had been the source of so much angst for Parkes, Sutherland and the Newcastle coal proprietors and for which the plans had already been drawn.\textsuperscript{130} Consequently, Gray asked the House to reject Sutherland's amendment.\textsuperscript{131}

The House complied, by 19 votes to 16, whereupon the Speaker put Gray's motion that the House go into Committee to consider his resolutions. The vote on this was equal, 17-17,\textsuperscript{132} requiring the Speaker, George Allen to exercise his casting vote. The fate of Gray's resolutions hung on that vote, but for once it smiled on the Illawarra Railway. Allen, as well as being the chairman of the Bulli Coal Company's board and a principal in the Mount Kembla Coal and Oil Company, had already declared himself publicly as a supporter of the Railway; he had been a member of the first deputation from the Metropolitan and Illawarra Railway Committee to

\textsuperscript{129} Quoted in \textit{Sydney Morning Herald}, 20 February 1878.
\textsuperscript{130} \textit{Railway Trial Surveys. (Instructions to the Engineer-in-Chief, and all Papers, Letters, Minutes, and Reports Respecting.)}, p.46. In \textit{Votes and Proceedings of the Legislative Assembly, Session 1876-7, Vol.5}. This was a memorandum of 30 May 1876, forwarded to the Commissioner of Railways from the Engineer-in-Chief along with the plans of the Sydney-Wollongong section of the Illawarra Railway. The memorandum noted that these plans were to be tabled in the Assembly.
\textsuperscript{131} \textit{Sydney Morning Herald}, 20 February 1878.
Premier Parkes in October 1873. Allen followed his self interest by voting for the motion but, having some respect for his public duty and the traditional impartiality of the Speaker, did so with the qualification that the motion be again submitted to the House: ‘in order to give the House a further opportunity to consider the matter, I believe it incumbent on me to vote for the ayes. (Hear, hear.)’ The Assembly then adjourned at eight minutes to one on the morning of 20 February, Gray’s resolutions intact until they could again be brought before the House.

The result could not have been closer and, while it was not a vote on the Illawarra Railway itself but on a motion as to whether the House should consider compelling the Ministry to frame an Estimate for the Railway, it did seem to indicate a shift in favour of the scheme. In a Parliament devoid of ideological conflict, disciplined political parties and paid politicians, attendance at divisions tended to be a somewhat relaxed affair. Consequently, it is difficult to make definite statements about why particular Members voted in the way that they did, if they voted at all. Thus, in the division on Gray’s motion 39 Members, or 53.4 per cent. of the total of 73, did not vote (see Table following). The two most notable absentees were Henry Parkes, arch enemy of the Illawarra Railway, and Hugh Taylor, that late convert to the proposal who had vowed to do all in his power to see that it succeeded. Parkes’ vote would have sunk Gray’s motion, while Taylor’s would have taken the House into Committee, where the fate of the Illawarra Railway would be determined. As it was, only Allen’s vote from the Speaker’s chair gave the scheme a second chance. Such was the making of economic policy in the Colonial Assembly.

Wollongong’s businessmen were pleased but cautious about the prospects for the Illawarra Railway. The Mercury saw the Assembly’s vote as ‘a victory ... however small.’ Biggar and his associates had some reason to feel encouraged. The division of 20 February seemed to indicate a softening of attitudes in the Assembly toward the Railway. In the broadest terms, the anti Railway vote held less force than it had two years before, down from 29 votes to 17, while Gray’s motion attracted five more votes than the 12 the Railway had

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See Chapter 6.

Quoted in Sydney Morning Herald, 20 February 1878.

See sources cited in Table in text.

Illawarra Mercury, 22 February 1878.
### The New South Wales Legislative Assembly and the Illawarra Railway: Regional Interests in the Division of 20 February 1878

<table>
<thead>
<tr>
<th>Regions of New South Wales</th>
<th>Number of Members</th>
<th>Voted For Illawarra Railway</th>
<th>Voted Against Illawarra Railway</th>
<th>Did Not Vote</th>
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<td>9</td>
<td>5</td>
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<td>4</td>
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<td>Sydney Metropolitan &amp; Suburban</td>
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<td>7</td>
<td>3</td>
<td>10</td>
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<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Pastoral/Squatting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South &amp; South West</td>
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<td>5</td>
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<td>West</td>
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<td>2</td>
<td>7</td>
</tr>
<tr>
<td>North &amp; North West</td>
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<td>1</td>
<td>0</td>
<td>5</td>
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<tr>
<td>Far West</td>
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<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total New South Wales</td>
<td>73</td>
<td>17</td>
<td>17</td>
<td>39</td>
</tr>
</tbody>
</table>

**Electorates Included in Regions**

**WOLLONGONG & SOUTHERN DISTRICTS:** Braidwood, Camden (2 Members), Eden, Gold Fields South, Illawarra, Kiama, Narellan, Shoalhaven.

**SYDNEY METROPOLITAN & SUBURBAN:** Canterbury (2 Members), Central Cumberland (2 Members), East Sydney (4 Members), The Glebe, The Nepean, Newtown, Paddington, Parramatta (2 Members), St. Leonards, The University of Sydney, West Sydney (4 Members).


**NORTH COAST:** The Clarence, The Hastings.

**PASTORAL/SQUATTING**


- **WEST:** Bathurst, Carcoar, East Macquarie (2 Members), Gold Fields West, Hartley, Mudgee, Orange, Wellington, West Macquarie.


- **FAR WEST:** Braidanald.

received in 1876. Gray picked up one genuine vote from a Newcastle-Hunter region Member, Joseph Eckford (Wollambi), to replace that of John Burns who, as Robertson's Postmaster General, had voted for the Railway in 1876 but who now, as Farnell's Postmaster General and Member for the Hunter, voted against it. Only seven of the 15 Newcastle-Hunter Members voted against Gray, compared to the nine who had opposed the Illawarra Railway two years earlier. Gray's motion even got the votes of four of the 27 Members from the squatting districts, compared to none for the Railway in 1876; seven of those Members opposed his motion, against the 11 who had helped stop the Railway two years before. There was a shift in support too among the Sydney metropolitan Members. In 1876 the 19 Members representing the metropolis had split seven-seven on the Railway, with five not voting. In 1878 there were 20 city Members, seven of whom voted with Gray, and two of the three who voted against him were already committed opponents of the Illawarra Railway: the Premier, James Farnell, old friend and colleague of Henry Parkes, who held the seat of St. Leonards, and the Minister for Public Works, John Sutherland, coal proprietor of Jamberoo and iron works proprietor of Lithgow.137

The *Mercury* had also been right to be cautious. On 19/20 February the balance tipped ever so slightly in favour of the Illawarra Railway. However, in factional politics nothing was sure. John Macintosh, Member for East Sydney, was a good example of the subtleties involved in determining how particular Members might vote when the Railway again came before the Assembly. Macintosh, of course, concerned about the technical problems to be overcome in the construction of the Illawarra Railway, had spoken in support of Sutherland's amendment to Gray's resolutions, seeking a complete survey of the entire line before allowing it to be introduced again in the Parliament. In the division on the amendment, Macintosh duly voted with the Ministry and other die hard opponents of the Illawarra Railway. However, when it came to the division on Gray's motion, which sought to have the House consider the scheme as it stood, he voted with Gray. It was all a question of what weighed more heavily with him: his concerns about technical feasibility or his belief, also referred to in his statement on Sutherland's amendment, that Wollongong and the southern districts had a good claim to a

137 This paragraph is based on the sources cited in the Table in the text. See also the Table relating to the June 1876 vote, in Chapter 7.
rail link with Sydney. In 1876 he had believed that the proposal ought not to proceed; by February 1878 the second consideration appeared to have outweighed the first. The situation was fraught with uncertainties. Would Macintosh actually vote for the Railway if Gray’s motion was carried to go into Committee, if indeed that motion was carried? Would Macintosh attend the House? Would Parkes or Taylor? How many of the 39 Members who did not vote on 20 February, seven from the Newcastle-Hunter region and 16 from the squatting districts, would commit themselves to a vote when Gray took up the opportunity given him by George Allen to again seek public money for the Illawarra Railway? Gray would need to exercise all that he had learned as ‘Slippery Charlie’ Cowper’s unofficial whip, to ensure the right result. Thus, following the division of 20 February, while he stated that he was ready to take the fight for his resolutions back to the Assembly, he indicated that he would do so only at a moment chosen with great care.138

However, while Gray calculated an attempt was made to further confuse the question. In early March an advertisement appeared in the Sydney Morning Herald, signed ‘C.E.’, which sought expressions of interest in a proposal to build a private line from Douglas Park, 20 miles west of Wollongong on the Great Southern Railway, over the Nepean River and on to Wollongong via a tunnel cut through Mount Keira; from Wollongong, branch lines would go south to Kiama and north to Bulli. According to ‘C.E.’, this scheme would bring Sydney all the cheap coal and produce promised by the promoters of the Illawarra Railway for an outlay of only £150,000, ‘at no cost to the country’.139 The Illawarra Mercury would have none of it; the proposal was ‘a ruse’ designed to undermine the support that the Illawarra Railway was beginning to gather in the Assembly.140

The Mount Keira tunnel idea was anathema to Wollongong’s businessmen. They had previously dismissed the idea of connecting their district to the Great Southern Railway either at Campbelltown or Liverpool, both to the north of Douglas Park. They wanted a line that would run the entire length of the district, following the coal seams all the way to Coalcliff and on to Sydney Harbour, not a branch line that ended at Bulli. ‘C.E.’, it transpired, was a Dr. Jenkins

138 Illawarra Mercury, 26 February 1878.
139 Advertisement in Sydney Morning Herald, 2 March 1878.
140 Illawarra Mercury, 5 March 1878.
of Douglas Park, and the *Mercury* suggested that some of his colleagues might be kind enough to have him admitted to the government's insane asylum at Gladesville in Sydney. Campbell and Hart thought his railway scheme preposterous, 'a joke such as might be heard at a Nigger Minstrel entertainment.'

Correspondence on the scheme continued to feature in the *Herald*, throughout March and into early April. James Manning was Jenkins' main opponent, defending the Balmain-Wollongong route that he had helped survey in 1874 as the best one, on the grounds of ease of construction and economic rationality. Whether Jenkins acted on his own or as an agent of the Illawarra Railway's enemies is unknown. However, with the Assembly so finely divided on the question, the *Mercury* had no doubt as to who stood behind him. Over the years, it stated, Wollongong had been 'practically ignored by the Parliament', receiving only 'paltry' amounts for little public works and those only after repeated 'cap in hand' requests; all—it continued—because of the malign influence of the Newcastle coal monopolists and the squatters.

There was some indication that opinion in Sydney was beginning to get behind the Illawarra Railway. The satirical magazine *Sydney Punch* took up the cause, publishing a cartoon showing Samuel Gray standing by a cart filled with cheap (10 shillings a ton) Wollongong coal, both Gray and the cart being the subjects of admiring looks from a grateful Sydney housewife. *Punch* commented that 'Bowker [Member for Newcastle] and Co.' had to be prevented from sinking the scheme, and accompanied its cartoon with a poem by 'OBSTRUCTION' entitled 'CHEAP COAL':

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Past are days of cold and sorra
Here's cheap coal from Illawarra;
No more need ye shake and shiver,
Give a cheer for Gray the giver!

Shade of Dibbs and all opposers
To the front advance, and know, Sirs,
That t'would be no use contending,
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141 ibid., 2 April 1878.
142 See, for instance, *Sydney Morning Herald*, 28 March (Jenkins), and 29 March & 8 April 1878 (Manning).
143 *Illawarra Mercury*, 5 April 1878.
Or on Gray your strength expending.144

In the midst of all this confusion and versifying, Gray tried twice to have his motion and resolutions placed before the Assembly. On the first occasion, 15 March, he miscalculated and moved without the required notice, the Speaker ruling the motion out of order.145 Gray gave notice that he would bring on his motion on 29 March. This time, however, other Parliamentary business pushed it into the early hours of the 30th by which time, according to Gray, many supporters of the Illawarra Railway had left the House. Consequently, he postponed his motion until 26 April.146

On the evening of the 26th Gray moved that the House go into Committee to consider his resolutions on the Illawarra Railway. The contest was going to be close, and would not be conducted in the most gentlemanly of ways. Gray had no sooner put his motion than John McElhone, the Member for The Upper Hunter and, as will be seen, a physically violent opponent of the Illawarra Railway, rose to urge that a vote be taken at once. He feared Gray’s reputation and ability as a manipulator of votes in divisions. McElhone believed that ‘a fair and honest decision’ could be obtained only by an immediate vote. If the debate was dragged out, he claimed, the Railway’s opponents would vanish into the night and those in favour of the railway would stay.147 A stock, station and wool agent, hide and tallow merchant and exporter,148 McElhone asserted that Parliamentary support for the Illawarra Railway had been obtained by excessive lobbying, champagne and ‘All sorts of inducements’—all for the benefit of John Robertson, Alexander Stuart and Samuel Gray whom he described as ‘one of the wealthiest landowners in that district [Wollongong].’ This much was incontestable, but when McElhone stated that he was ‘much opposed to swindles of this sort’, he exposed his own hand by observing that he ‘had no interest in any coal mines except a small amount of coal land near Newcastle.’149

144 Sydney Punch, 9 March 1878.
145 Sydney Morning Herald, 16 March 1878.
146 Illawarra Mercury, 5 April 1878.
147 Quoted in Sydney Morning Herald, 27 April 1878.
149 Quoted in Sydney Morning Herald, 27 April 1878.
These allegations of corrupt motives and sharp practice set the tone for the debate that followed, but when the vote was taken on whether the House should go into Committee to discuss whether the Illawarra Railway should proceed, Gray scored another narrow victory, 21-19. At last, Gray could move his resolutions in their own right and, with just one more vote to go, there seemed every reason to believe that the Illawarra Railway would, however narrowly, secure its final victory.

In Committee the debate covered all the old arguments about vested interests, the quality of Newcastle and Wollongong coal, whether the Illawarra Railway would repay the proposed public investment, and so on. In fact, it was progressing much as any debate on the issue had in the Assembly, until McElhone accused Gray of 'disreputable' conduct in the arrangement of pairs for the evening's vote, claiming that Gray had paired opponents of the Illawarra Railway. Gray responded by accusing McElhone of having lied on other issues, a charge echoed by Samuel Terry, the Member for New England and a supporter of the Illawarra Railway. There ensued what the *Sydney Morning Herald* delicately reported as 'The Scene in the Legislative Assembly.'

McElhone snapped at Terry, 'You are a liar, and if you will come outside I will punch your head,' and moved toward the Member for New England 'in a threatening attitude.' Gray interjected that such behaviour in the House was unprecedented, whereupon McElhone exploded: 'If you tell me that again, I will knock your head off.' At this point the infuriated McElhone sprang across the floor of the House, and with clenched fist and menacing attitude threatened to knock Mr. Gray's head off. Mr. Charles, who was sitting behind the hon. member for Illawarra, interposed, whereupon Mr. McElhone invited that hon. gentleman, also, to go outside and have his head 'punched'. The hon. member passed backwards and forwards between the cross-benches and the door of the chamber in a state of frantic excitement, exclaiming with great vehemence, that he would 'thrash' these gentlemen, and so forth, at the same time accompanying his words with menacing gestures.

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151 *Sydney Morning Herald*, 29 April 1878.

152 Quoted in *ibid*.

153 *Echo*, 27 April 1878.
The Member for The Upper Hunter 'appeared to have lost all self control,'\textsuperscript{154} to the degree that John Macintosh, Member for East Sydney, cried, 'This must not continue. There will be murder done.'\textsuperscript{155}

Eventually, McElhone was restrained, the galleries were cleared and order was restored. Sir John Robertson moved successfully that the House find McElhone guilty of contempt. With 'considerable difficulty' McElhone was induced to apologise for his disgraceful conduct, and the contempt resolution was withdrawn.\textsuperscript{156} Then, anti-climatically, William Windeyer, Member for The University of Sydney, moved in the quiet, early hours of 27 April that the Chairman vacate the Chair. The motion was carried 16-15, 'and the resolutions for the Illawarra Railway were in that way defeated' (see Table following).\textsuperscript{157}

This had been the first direct Parliamentary vote on the Illawarra Railway itself since that of June 1876. The drift in favour of the proposal, first seen in the two divisions of 20 February 1878, had been maintained. However, it was not yet sufficient to achieve a majority in the Assembly. Nonetheless, a comparison of the vote of 27 April 1878 with that of June 1876 shows the extent to which there had been a transfer of support to the Illawarra Railway (see preceding Table). Those prepared to vote against the scheme had diminished in number; 29 in 1876, down to 17 in February 1878 who had voted against going into Committee to discuss the question, and only 16 being present to defeat it again two months later. The softening of attitude in some quarters had also continued. In 1876 the Newcastle-Hunter Members had provided nine, or 31 per cent, of the 29 votes cast against the Railway; by April 1878 that number had shrunk to three, or 18.8 per cent, of the 16 Members opposing the scheme. Two Members for that region had even voted for it. The Members for the squatting districts were as obdurate as ever. In 1876 11 of their number accounted for 37.9 per cent, of the votes that had halted the Illawarra Railway movement; two years later they were the backbone of the anti Illawarra Railway forces, providing over half of the votes needed to defeat

\textsuperscript{154} ibid.
\textsuperscript{155} Quoted in \textit{Sydney Morning Herald}, 27 April 1878.
\textsuperscript{156} ibid., 29 April 1878. Nonetheless, McElhone's antics caused the Assembly to pass a Parliamentary Powers and Privileges Bill, to allow it to deal more effectively with Members who threatened violence in the House. However, the Bill was defeated 8-7 in the Legislative Council. See \textit{Illawarra Mercury}, 14 & 21 May 1878.
\textsuperscript{157} \textit{Sydney Morning Herald}, 29 April 1878.
### The New South Wales Legislative Assembly and the Illawarra Railway:

#### Regional Interests in the Divisions of 8 June 1876 and 27 April 1878

<table>
<thead>
<tr>
<th>Regions of New South Wales</th>
<th>8 June 1876</th>
<th>27 April 1878</th>
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<tr>
<td></td>
<td>Number of Members</td>
<td>Voted For Illawarra Railway</td>
</tr>
<tr>
<td>Wollongong &amp; Southern Districts</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Sydney Metropolitan &amp; Suburban</td>
<td>19</td>
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<td>. Far West</td>
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<td>0</td>
</tr>
<tr>
<td>Total New South Wales</td>
<td>72</td>
<td>12</td>
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#### Electorates Included in Regions

**Wollongong & Southern Districts:** Braidwood, Camden (2 Members), Eden, Gold Fields South, Illawarra, Kiama, Narellan, Shoalhaven.

**Sydney Metropolitan & Suburban:** Canterbury (2 Members), Central Cumberland (2 Members), East Sydney (2 Members), The Glebe, The Nepean, Newtown, Parramatta (2 Members), St. Leonards, The University of Sydney (from 8 September 1876), West Sydney (4 Members).


**North Coast:** The Clarence, The Hastings.

**Pastoral/Squatting**

- **West:** Bathurst, Carcoar, East Macquarie (2 Members), Gold Fields West, Hartley, Mudgee, Orange, Wellington, West Macquarie.
- **Far West:** Balranald.

#### Sources:

the scheme. Since the vote of 1876, the Great Northern, Great Western and Great Southern Railways had pushed further into the interior (see map following), but this was not sufficient to allay the fear that approval for the Illawarra Railway would bring about a change in railway policy that would divert public funds from the development of the pastoral industry. Even so, in April 1878, as in February, the Railway managed to attract the support of four Members from the squatting districts.

Why this transformation had taken place within the Parliamentary ranks of the Illawarra Railway’s opponents is not clear. Not all Members who took part in divisions spoke in debate. Thus, it can only be assumed that some Members had succumbed to the force of argument, lobbying and/or other inducements to vote for the proposal. Some Newcastle-Hunter Members must have taken the view that the demand for New South Wales coal was sufficient to allow the Wollongong district a major share without damaging the commercial and other interests of Newcastle. Nonetheless, the lack of evidence about the motives and interests of individual Members, acting within the unpredictable confines of faction politics, makes it impossible to give an exact analysis of the divisions on the Illawarra Railway.

The Illawarra Mercury, however, was certain that the Railway’s narrow defeat owed much to John McElhone’s ‘Spanish bull-fight performance’ which, it claimed, had forced ‘several of the better disposed members to leave the chamber.’\textsuperscript{158} Samuel Gray agreed, putting the same view to the first annual dinner of the Mount Keira and Wollongong Benefit Society, on 11 May.\textsuperscript{159} On the face of it, there was something in this analysis. McElhone himself seemed to confirm it. At a meeting in his electorate he admitted that his behaviour ‘went too far and was wrong’. However, he justified it on the ground that, ‘his motive was to stop the public purse from being robbed . . . to fatten the pockets of a few interested parties’.\textsuperscript{160} Of the 21 Members who had voted to go into Committee, seven did not vote in the later division. Nonetheless, the Illawarra Railway did pick up two rather unlikely votes in that division—Hanley Bennett who represented the pastoral seat of Liverpool Plains on the north-west fringe of the Newcastle-Hunter region, and Thomas Hungerford whose Northumberland electorate

\begin{footnotesize}
\begin{itemize}
\item\textsuperscript{158} Illawarra Mercury, 3 May 1878.
\item\textsuperscript{159} Ibid., 14 May 1878.
\item\textsuperscript{160} Quoted in Ibid., 19 July 1878.
\end{itemize}
\end{footnotesize}
was part of that region's mining heartland. Bennett had not voted in the earlier division and Hungerford, who had voted not to go into Committee, had, when the resolutions were actually put, switched sides and voted for the Railway. This was balanced by William Davies, Member for the pastoral seat of Argyle, who went over to the anti Illawarra Railway forces in the second division.

The Farnell Ministry, whose members had voted as a bloc to form the core of the 19 Members opposed to going into Committee, was little more successful than Gray in holding its numbers together. Five of the 19 left the House before the final division was called, most notably Richard Bowker, the Member for Newcastle. By losing the first division, which sent the House into Committee, the anti Illawarra faction was even guaranteed the loss of one vote—that of Richard Driver who, as the Assembly's Chairman of Committees was not entitled to an original vote. The balance was tipped against the Illawarra Railway by four Members, William Davies who switched sides to join Hugo Beyers (Gold Fields West), John Burns (The Hunter, and Postmaster General), and Andrew Lynch (Carcoar), who had not voted in the earlier division.

Thus, the question of how Gray's narrow victory of 21 votes to 19 to go into Committee was turned into an even narrower 16-15 defeat on the Illawarra Railway itself, turned less on McElhone's little piece of Parliamentary cabaret than on the failure of Gray and his supporters to hold the interest of those Members who might have given them a victory. Henry Clarke, whose far south coast seat of Eden lay just south of the Shoalhaven district and Jervis Bay, and Edward Greville whose Braidwood electorate bordered that of Shoalhaven, had been part of Illawarra Railway Committee deputations to Premiers Parkes and Robertson, and had voted on 27 April to take Gray's resolutions into Committee. However, when it came to the final hurdle just a few hours later, they had melted into the night. Similarly absent was George Allen, Wollongong coal proprietor, prominent Illawarra Railway supporter and Speaker of the House. When the House went into Committee just before midnight on 26 April and Allen vacated the Chair for Driver, he also vacated the House. Hugh Taylor, Member for

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162 Statements about Members, electorates and voting in divisions, in this and preceding three paragraphs based on sources cited in Table in text re Illawarra Railway divisions of 1876 and 1878.
Parramatta, again failed to honour his pledge to support the claims of Wollongong’s businessmen for the Sydney-Wollongong railway. Alexander Stuart, of course, was in England, seeing to the construction of two steamers for the Coalcliff Coal Company. An utterly unpredictable factor which worked against the Illawarra Railway was a provision in the Electoral Act of 1858 that enabled the University of Sydney, as soon as it had graduated 100 Masters of Arts or Doctors of Laws or Medicine, to return a Member to the Legislative Assembly. That provision did not take effect until 8 September 1876 when William Windeyer, barrister and a director of the Hunter River Steam Navigation Company, was elected for the seat. It was Windeyer who moved on 27 April 1878 that Richard Driver leave the Chair, his vote giving the Farnell Ministry a 16-15 win over the Illawarra Railway movement.

Wollongong’s businessmen were not overly perturbed by the defeat in the Assembly. On 21 May the Parliament was prorogued, bringing to a close what the Illawarra Mercury described as ‘one of the most barren and boisterous sessions’ in the history of that institution. Campbell and Hart took comfort from the fact that the Illawarra Railway appeared to be gaining ground. Even if Gray’s resolutions had been carried, they said, the Railway could not have been placed on the Estimates until the following session, and there was no doubt in the minds of the Mercury’s proprietors that the resolutions would see victory at that time. Samuel Gray himself was in a defiant mood, telling his Wollongong constituents in mid May that his attitude on the Illawarra Railway was one of ‘No surrender.’

Indeed, buoyed by the closeness of the recent vote in the Assembly, Wollongong’s businessmen were in no mood to let the matter drop during the Parliamentary recess. An opportunity to continue to press their case at the highest level was presented by Premier Farnell’s visit to Wollongong on 28 May. Without doubt, given the heat generated by the Railway question in the session just ended, Wollongong would have been the last place in New South Wales that Farnell would have chosen to visit. In fact, his trip was forced upon him as

163 Electoral Act of 1858. 22 Vic. No.20, section 15.
164 Connolly, op.cit.
165 Illawarra Mercury, 21 May 1878.
166 ibid., 3 May 1878.
167 Quoted in ibid., 14 May 1878.
holder of the office of Grand Master of the Grand Lodge of New South Wales,\textsuperscript{168} in which capacity he was to inspect a Masonic lodge recently opened in the town. The Premier spent the afternoon of the 28th looking over the Osborne Wallsend mine, but in the evening he was besieged in his hotel by a deputation of ‘several leading residents’ of the district, led by John Biggar; 40 of the ‘several’ managed to get into a meeting room with Farnell, another 20 being forced to mill about in the hallway.\textsuperscript{169}

Predictably, Biggar took the lead in haranguing the Premier about the scenic beauty of the southern districts and the inadequacy of their harbours for the export of their excellent coal and dairy produce. Farnell was unmoved. Wollongong, he said, was a fine place and he was not opposed in principle to linking it to Sydney by rail. However, he asserted, ‘the time had not yet come for such a work’. Other places had a more pressing need for a rail link with the city. In his view Wollongong Harbour had not reached its capacity as a coal port and, betraying perhaps a sensitivity to the interests of Newcastle, he added that the Illawarra Railway would only result in Wollongong coal flooding the market and driving down prices, without increasing the export of coal from the Colony. That is, in terms of adding to New South Wales’ capacity to service the interest burden of its existing public loans, the Illawarra Railway would be a useless expenditure.\textsuperscript{170}

Farnell accepted the point that the Treasury was in a flourishing condition but he was resisting the temptation to use surplus revenue to subsidise schemes like the Illawarra Railway. New South Wales, he said, was living on its capital not its income. Hence, his Government intended to continue pushing the Great Southern, Great Western and Great Northern Railways into the pastoral interior.\textsuperscript{171} Evidently, Farnell believed that public works expenditure aimed at meeting the rising English demand for cheap, quality Australian wool would produce far more export income for New South Wales than would such expenditure on infrastructure designed to increase the supply of coal to the intercolonial and Asia-Pacific markets. Consequently, ‘he thought Illawarra would have to wait some time for a railway.’ Somewhat condescendingly, he

\begin{footnotes}
\footnote{Connolly, \textit{op. cit.}} \footnote{\textit{Illawarra Mercury}, 31 May 1878.} \footnote{\textit{ibid.}} \footnote{\textit{ibid.}}
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concluded by telling the deputation that until then the people of Wollongong should 'wait with patience, and persevere in the matter.'\textsuperscript{172}

While Farnell remained in office, then, any attempt to push the Illawarra Railway in the Assembly would encounter solid Government opposition. However, as the late vote had shown, that was not an altogether insurmountable obstacle. Wollongong's businessmen, in the pursuit of material prosperity, had perseverance in abundance, but patience was not part of their agenda. Thus, the \textit{Illawarra Mercury}, in telling Farnell that his views on the district's coal trade were wrong, re-emphasised the determination of local businessmen to get their railway, no matter what the odds.\textsuperscript{173}

As if to give strength to this resolve, nature itself provided a sharp reminder of the precarious business of getting Wollongong coal to market. Within a week of Farnell's visit a violent storm hit the district, taking with it a 100 foot section of the Coalcliff Mining Company's jetty.\textsuperscript{174} Neither this nor the refusal of the Assembly to sanction the railway to Sydney would deter Wollongong's businessmen from their pursuit of the good life. Samuel Gray had just invested £2784 in the acquisition of 88 acres of the Garden Hill Estate, in the centre of the town of Wollongong. There was talk of his intention to subdivide part of the property, but the real interest was in his offer to donate part of the Estate as a site for a gas works.\textsuperscript{175} However, the greatest ingenuity in extracting a profit from the district was displayed by John Biggar. His Illawarra Railway scheme, designed principally to crack the Melbourne market for Wollongong coal, might have been placed in suspension by the Legislative Assembly, but during this waiting phase he had busied himself by chartering vessels to import potatoes direct from Melbourne to his Wollongong establishment for sale to the public.\textsuperscript{176}

The New South Wales Parliament would not resume until 10 September 1878. This left Gray, Biggar and their colleagues with a few months in which to do the planning and lobbying that they hoped would finally secure the Illawarra Railway. Then, in a rising market, the Wollongong coal trade would expand rapidly, gas works and other manufacturing concerns

\textsuperscript{172} Quoted in \textit{ibid.}
\textsuperscript{173} \textit{ibid.}
\textsuperscript{174} \textit{ibid.}, 4 June 1878.
\textsuperscript{175} \textit{ibid.}, 21 May 1878.
\textsuperscript{176} \textit{ibid.}, 14 June 1878.
would arise in due course, and John Biggar would have a local market eager and able to
consume any amount of Victorian potatoes or other commodities that he wished to supply it
with.