

PROBLEMS OF EARLY QUEENSLAND 1859-1870

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10 December 1859 was a memorable day for the colonists of the northern districts of N.S.W. This was Separation Day when the new colony of Queensland was finally proclaimed and the first governor, Sir George Bowen was sworn in. The ceremony took place on the balcony of the governor's temporary residence, a rented house not part of the deanery of St. John's Cathedral. Some thousands of people watched the ceremony from the area below. Some were from Brisbane itself, which comprised at the time four settlements: North Brisbane, South Brisbane, Kangaroo Point and Fortitude Valley, separated from each other by grassy paddocks or the unbridged river. Others, were squatters who had ridden in from the Darling Downs, and farmers from the Moreton Bay district who had driven their families in by cart. The Ipswich people had come down the river in sailing boats and gaily decorated steamers. One enthusiastic local poet described the new colony as 'Daughter of the Sun'.

Separation was the culmination of a struggle for independence by the northern colonists which had lasted for nearly eight years. General indignation and frustration at neglect by a Sydney-based government had spurred the northerners to petition the Crown for freedom from what the Moreton Bay Courier described as "their paralyzing chains". The long delay had been caused by determined opposition from the government of N.S.W., and the vacillating policies of the Imperial government.

Now Queensland had at last been created a new colony covering a vast area from Point Danger in the south, to Cape York in the north. As it turned out, although people did not anticipate it at the time, it was the last of the Australian colonies. On Separation Day there were approximately 25,000 white settlers in the whole of Queensland: a little more than a third of the present population of Townsville. Plus an indeterminate number of Aborigines, reputed to be very numerous in the north and implacably hostile to white settlement in their lands.

The first census in Queensland of 1861 enumerated a white population of 30,059 for the whole colony. The demographic pattern of white

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settlement was uneven. Most people lived in the south-east corner in the Moreton Bay and Darling Downs area, with sporadic settlement as far as Rockhampton (founded 1857). North of that there were a few adventurous squatters but much of the country was unexplored. Navigators and explorers had filled in some of the map but much was still unknown. Plans for successful economic development would need much more detailed information.

Communications in the 'settled districts' were bushtracks only. The difficulties the squatters experienced in conveying their wool to Brisbane for shipment were vividly described in evidence they gave to a Select Committee on Internal Communication in 1860. The track, for example, from the Logan district where there were numerous stations was "very bad indeed. No road has been surveyed, and every dray takes its own path." There were no dray tracks at all in the 'unsettled' districts. Even in Brisbane's Queen's Street there were weeds and tree stumps. A day or two's rain would reduce the streets of Brisbane or Toowoomba to a morass of mud. People used the 'liquid highway' as much as they could, as Governor Bowen described the Brisbane river. The colony was also ill-equipped for sea-transport along the vast coastline. At Separation the northern colonists owned no ocean-going vessels for Sydney had dominated the maritime trade of New South Wales. The statistics of Queensland for 1860, the first year of separation, underlined the fact that the colony was almost entirely dependent on the wool-clip, to the extent that 93% of exports came from the pastoral industry.

The new colony certainly had its problems. Some were abundantly obvious: too few people and too little capital to develop such a vast area, with total inadequacy of communications. Others were not so clear in the first year or two but soon became apparent: the vagaries of what at first appeared a perfect climate - droughts alternating with floods; new problems of a tropical environment north of the Tropic of Capricorn; the political and sociological difficulties of providing a coloured labour force for tropical agriculture; and finally the persistent and often ferocious resistance of the Aborigines to expansion of the white frontier. Little wonder that critics of the

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new colony in New South Wales and London prophesied its early collapse. It was so obviously not a viable proposition.

In 1859, one might have been inclined to agree with them. Queensland's start appears decidedly shaky, compared with the other colonies pioneered with convicts and Imperial government finance or by organized private enterprise and capital. But looking back on the era we can see some inbuilt advantages for Queensland, apart from the optimistic enthusiasm of the early colonists and the splendours of the climate. (Propaganda about the delights of the 'Sunshine State' was quite as vigorous in the 1860's, as in tourist promotion of the 1970's).

The timing of the creation of Queensland is important. With Victorian economic optimism and the liberal doctrine of equality of opportunity in their hey-day, the climate of opinion was favourable to economic progress and development. Queensland's communications might be primitive initially but the colony was born into the era of the steamship, the railway and the electric telegraph; advantages of a technological age. Within its first ten years the colony had a telegraph system linking Brisbane with the southern capitals and the Gulf of Carpentaria. It had constructed its first railways and bridged the Brisbane river. In 1867 it inaugurated its own steamship service through Torres Strait to Batavia to link with the P. & O. mail service to Singapore. At an earlier age these achievements would have been impossible.

Capital for the development of what seemed the very promising resources of the new colony were readily available. Again the time was propitious. Victoria growing rich from the recent gold rushes could offer investment capital and entrepreneurial skills. Indeed in the 1870's and 1880's the development of Queensland, in the sugar industry especially, depended heavily on Victorian capital. British capital, of which there was a large accumulation by the 1860's was available for colonial government loans and private expansion in the wool industry. The wool industry experienced a boom until 1866, which was followed by a slump.

Queensland had a fortunate beginning politically. It started with democratic self-government with a constitution similar to that granted to N.S.W. in 1855. Therefore the Queensland Parliament and people were

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spared the fierce controversies concerning responsible government which had beset N.S.W. and Victoria in the 1850's. The Queenslanders inherited liberal democracy from other people's efforts. Government could concentrate on problems of development. The Queensland Legislature was able also to learn to some extent from mistakes by Victoria and N.S.W. in such controversial matters as land legislation and state-aid to religion. All in all, these advantages which stemmed from being last in time of the Australian colonies helped the Queenslanders to overcome their difficulties and confound those who prophecied doom for the new colony.

Coalition ministries, comprising a combination of progressive conservatives and liberals carried on government in the early years. Radicalism was not strong in a colony which was predominantly pastoral and as yet had no gold-diggers. The political controversies which did take place were between pastoralists and liberals, who advocated small farming and closer land settlement. The obvious need for economic development and the desire for material prosperity united the colonists and majority of politicians until such time as the community became more complex. Clash of interests then began to show itself in political conflict.

The most outstanding political influence in early Queensland was a brilliant young scholar from England, Robert Herbert. He had been appointed colonial secretary by the Secretary of State and accompanied Bowen to Queensland. Elected for the constituency of Leichhardt in the first elections, he then retained his position as colonial secretary and became first premier of Queensland. He maintained an unbroken coalition ministry for seven years until he resigned to return to England. He was Governor Bowen's right-hand-man in parliament. Bowen, behind the scenes, played a much greater part in administration than modern governors. It is often difficult to separate the influence of Bowen and Herbert on government policy of the time as they worked in close consultation.

Although they were temperamentally poles apart, Bowen ebullient and Herbert very reserved they generally agreed on the needs of Queensland. They regarded the colony as 'a great property' to be developed along good sound business lines for the benefit of the colonists and posterity.

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They thought practical legislation for development much more important than political experimentation. The fact that most of the colonists agreed with this view, was one of the reasons Herbert was able to maintain a secure parliamentary majority for so long. His administration in Queensland was consistently pragmatic. He was unmoved by doctrinaire arguments and sectional enthusiasms. He calculated that stable government even at the cost of compromise was essential for economic development. Therefore he did not hesitate to invite his most gifted liberal opponents Arthur McAlister, and Charles Lilley into his ministry. Other considerations which account for a coalition ministry long-lived for that era were his great personal charm of manner, an ability to work very hard and lack of combination among opponents to his government.

The new government and colony had many problems to solve as I have already indicated. One wonders if Bowen and his first ministry drew up a list and allocated their priorities in early 1860. On the first list would have been the necessity to diversify the economy by encouraging agriculture; attracting more migrants; exploration of the north; providing more ports of access for the long coastline; the erection of public buildings. The first parliament was housed in the renovated old convict barracks; the governor lived in a rented house; there was no bridge over the Brisbane river etc. etc. If they had made another list in 1864 they would have added providing a coloured labour force for tropical agriculture, the difficulties of the northern pastoralists in a tropical environment, lighting and beaconing the coast, and how to deal with Aboriginal warfare on the frontiers of settlement. With all this there was the continuing problem of how to finance all these developmental projects. The government adopted an ambitious loan policy for developmental projects. This seemed safe enough in the buoyant economic climate of the early 1860's. But in reality the colony was over-extended and suffered badly from the slump of 1866-1867 on the other side of the world, which caused the failure of a London banking organization on which the Queensland government were relying for loan capital.

There is obviously not time here to examine all the problems which faced the early Queenslanders and their government. Each one would be a

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thesis on its own. I intend to examine three problems briefly. (i) The disposal of crown land; (ii) The diversification of the economy; (iii) Immigration policy. They are inter-related and really three aspects of the same problem: how to ensure the economic viability of the new colony and justify the separation of the northern districts from New South Wales. The documents of the period show that Herbert's government gave top priority to these issues. Their solutions were experimental and not always successful.

The land legislation passed in 1860 was aimed at making use of the land to encourage immigration and agriculture without too much disturbance of the pastoral interest on which Queensland depended for the time being. There were some interesting new features in the four Queensland Land Acts passed in 1860, while the governments of N.S.W. and Victoria were still wrangling over the controversial subject. One of the most significant innovations was the legislation for Agricultural Reserves, a system of government controlled selection which obviated the conflicts of the free selection system of N.S.W. 100,000 acres of land were set aside for agriculture 'on the shores of navigable waters of Moreton Bay, Wide Bay, Port Curtis and Keppel Bay'. Large areas of land were also reserved within five miles of towns with a population of more than 500 people. As new areas were explored and settled such as Bowen and Cardwell, town reserves and agricultural reserves were declared. This legislation went a long way to save Queensland from the struggle between squatters and selectors which bedevilled land usage in N.S.W. This only developed to some extent on the Darling Downs, a squatter stronghold before separation. The system of Agricultural Reserves was attractive to migrants.

Included in the land legislation was a novel 'land-order' system also devised to attract migrants. The idea is attributed to the Rev. Dunmore Lang who took great interest in the northern districts, their separation and potentiality for closer settlement and small farming. The 'land-order' system worked in this way. Any migrant (man or woman), from Britain or a European country, who paid his own passage was to receive a 'land-order' worth £15. With this he could select immediately 15 acres of land on an agricultural reserve. After 2 years residence

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he was entitled to a further land order of £12. Every 2 children in a family, under 14 and over 4, were entitled to land orders. The family could also lease land adjacent to their farm at 6 cents per acre. In theory the scheme was attractive but was frequently defeated by the frailties of human nature, lack of capital and lack of farming expertise especially in the alien and fickle Queensland climate. Land orders soon became a form of currency in Queensland, which needy migrants sold to maintain themselves for their first few years in the colony.

Herbert, against considerable opposition from left wing liberals and right wing pastoralists resisted a cheaper land policy. His government retained the sale price of £1 an acre to off-set the dangers of speculation in a new colony with land its most important asset. To encourage the exploration of the inland northern tropics and to put the land to some immediate use land legislation offered attractive terms to squatters in unsettled areas. Yearly licences at a nominal charge and long-leases after stocking. This resulted in a minor pastoral rush to the north with the district of Kennedy being declared in 1861 and Burke and Cook in 1864. Ports of access for the squatters were also established in the same boom period. Bowen in 1861, Townsville and Cardwell in 1864. A government bounty on the growing of cotton was also included in the new land laws.

The colonists were confident in 1861 that cotton was to be the crop which would diversify the economy, encourage small farming and produce an agricultural staple equal to wool. We have become so accustomed to thinking in terms of Darling Downs cereals and north Queensland sugar that it is hard for us to realize that the early colonists for the first five years thought in terms of cotton. Cotton wool and sheep's wool made such a neat picture for the theorists, particularly its main promoter the Rev. Dunmore Lang. Cotton could be the basis of a small-farming protestant society which would defeat the Pope and Negro Slavery at one and the same time. By the date of separation there was considerable experimentation as far north as Rockhampton. Soon after his arrival, Bowen informed the Secretary of State, "The subject of Cotton engrosses at the present moment a large share of the attention of the press, and of the public generally in this Colony."

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It only needed the outbreak of the American Civil War in 1861 to make the future of cotton as Queensland's second staple seem assured. The northern blockade cut off England's greatest industry from the supply of raw cotton. There would be a market for raw cotton in the mother-country comparable to that for wool. Excellent reports on the quality of Queensland cotton had already been received from London and Manchester. The Queenslanders might be excused for their over-optimism in the circumstances. By 1864 they had to acknowledge their disappointment. Their hopes were dashed by the treachery of the lovely Queensland climate, the hard-headedness of Manchester businessmen and their own lack of expertise. Cotton needed a dependable climate which the drought of 1862 followed by floods in 1864 showed them they had not got. English capital was not available for cotton as it had been for wool. Manchester businessmen wanted cheap raw cotton. Queensland meant heavy freight rates and relatively expensive labour. Cotton growing was labour-intense, unlike wool growing. They preferred to rely temporarily on Egyptian and Indian grown cotton and wait for the end of the civil war in America.

Cotton had great significance in the future development of Queensland agriculture in spite of its failure as a major export staple. With cotton came the first South Sea Islanders, or Kanakas. Robert Towns, trying to solve his personal labour problems, first brought New Hebrideans to Queensland in 1863 for work on his cotton plantation in the Logan district. He found them 'industrious, tractable and inoffensive'. So did countless sugar-planters in the years to come.

Queenslanders soon forgot their disappointments over cotton as experimenters in tropical agricultural turned their attention to sugar-cane growing. Sugar-cane appeared a hardier and more promising crop than cotton. A cheap easy solution to the labour problem was provided by the kanakas. There was an expanding home market for sugar and developmental capital available from Victoria. The government decided to encourage sugar-cane growing by making land available under the Sugar and Coffee regulations of 1864. Applications for blocks of land totalled 87 from September 1864 to May 1866. They varied from islands in Moreton Bay to the Don River area near Bowen. Mackay and the Pioneer river were

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the most favoured localities.

Queensland was urgently in need of more people at a time when the southern colonies, immediately after the gold rushes were cutting down on their assisted migration programmes. But competition for immigrants from Britain was very fierce. Britain had entered a much more prosperous era and people were not so anxious to leave as they had been in the 1830's and 1840's. America offered cheap land and a shorter sea journey. Then there were Canada and South Africa both much nearer England than Australia. The fame and wealth of Melbourne and opportunities of Sydney were attractive to prospective Australian migrants.

Queensland had much to compete with. The government initiated a vigorous immigration policy. In 1861 they appointed Henry Jordan as Queensland immigration agent. He opened an office in London, wrote pamphlets on Queensland and toured the country towns of Britain soliciting migrants. The 'land order' system was the main attraction for free migrants. The government paid the passages of assisted migrants such as domestic servants and unskilled labourers. They contracted with the famous Blackall shipping line to put on some fast sailing clippers to bring migrants direct to Brisbane. Squatters from N.S.W. and Victoria were attracted to the unsettled districts by the liberal terms of the new land laws.

The boom period of early Queensland came to an end in 1866, through circumstances over which the Queenslanders had no control. There was an economic collapse in London with the crash of the great financial house of Overend and Gurney, which handled many colonial loans. There was widespread unemployment in England. Riots and disturbances in London, where the rioters tore down the railings in Hyde Park and the Life Guards were called out to restore order.

Queensland was particularly vulnerable on the periphery of the empire. The optimism of the boom period had tempted Queenslanders both in the public and private sector to rely too heavily on the London loan market. With the financial crash, which affected Australian banks, the business of the colony almost came to a standstill and there was much hardship and unemployment. The immigration office in London was closed, public

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works were curtailed and many northern squatters went bankrupt.

But the slump was not forever. The London money market had recovered by 1868 and by 1870 Queensland was on the way to economic recovery greatly assisted by discoveries of gold in the north. In 1871 Richard Daintree was appointed Queensland government Agent in London to publicise the colony and encourage migrants, a sure sign that Queensland was again ready to resume its economic development; this time in gold mining, sugar-cane growing and cattle-grazing.