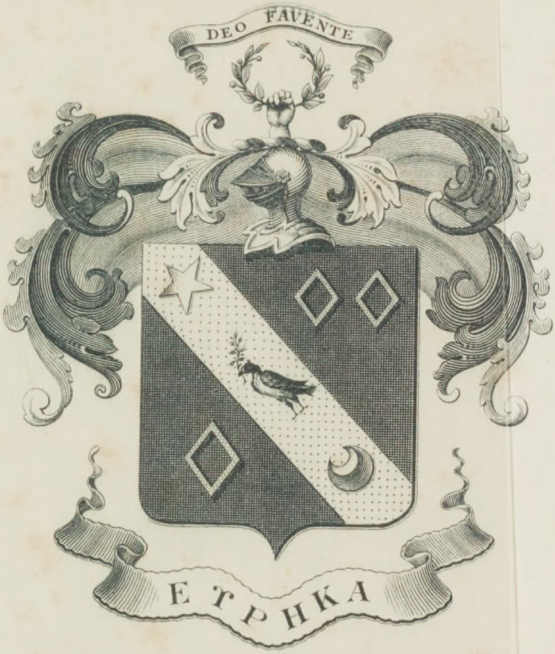


David Scott Mitchell.

# PIONEER DIFFICULTIES

IN FOUNDING

# SOUTH AUSTRALIA.

A LECTURE DELIVERED TO

*The Australian Natives' Association*

BY THE

HON. SIR HENRY AYERS, K.C.M.G., F.G.S., M.L.C.,

PRESIDENT OF THE LEGISLATIVE COUNCIL
AND
PRESIDENT OF THE OLD COLONISTS' ASSOCIATION,

ON THE 8TH JUNE, 1891

HIS WORSHIP THE MAYOR OF ADELAIDE (L. COHEN, ESQ., M.P.),

President of the Australian Natives' Association, in the Chair.

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# PIONEER DIFFICULTIES IN FOUNDING SOUTH AUSTRALIA.

THE PRESIDENT AND MEMBERS OF THE AUSTRALIAN NATIVES' ASSOCIATION.

Introduction.

GENTLEMEN—In fulfilment of a promise given to the representatives of your Society, I propose to direct your attention to some of the difficulties experienced by the Pioneers in the foundation and early settlement of South Australia—a subject in which I am glad to find you take an interest, and properly so, for next in importance to a knowledge of yourselves is a thorough acquaintance with the history of the country in which you dwell.

Who are considered "Pioneer Colonists."

Let me explain to you who were and are considered "Pioneer Colonists." According to the classification of Colonists made by the Old Colonists' Association, "Pioneers" include those who arrived prior to the 28th December, 1846 (that being the tenth anniversary of the day South Australia was proclaimed a British Colony), and "Old Colonists" were those who arrived between 28th December, 1846, and 28th December, 1856. Even among the Pioneers there were precursors to whom we are indebted for preparing the way for the Pioneers of later date, who together underwent, for the Colonists now living, the earlier struggles which otherwise they would yet be contending against.

I do not propose to give you a continuous history of the Province, but merely to refer to those historical incidents which will illustrate the difficulties encountered by the early Colonists, and how they were met and overcome.

My first attempt will be to describe the embarrassments that preceded the planting of the Province during a period extending from early in the year 1831 to the middle of 1836, and then to trace the progress of the settlement—through the difficulties with which it was surrounded—from the arrival of the first settlers, in the latter year to the end of 1846, when the Colony had passed through its experimental stages—when it was established on a solid basis—and when it gave ample warrant of future advancement. The latter period includes the time with which the Pioneers are more especially associated.

Initial difficulties of Imperial Legislation.

Among the many perplexities that beset the Pioneers, not the least were those which arose in their endeavours to obtain authority from the British Government to found the Colony. The subject of emigration, as a means of relieving the wants of the unemployed, had engaged the anxious attention of Ministers during the years 1826 and 1827, when two Committees of the

House of Commons investigated the question and reported that the British Colonies offered scope enough, with the assistance of the Government, to take a sufficient number of the labouring population to relieve the then pressure. But whether it was from the great cost of conducting a large emigration, or from a disinclination to incur the risk of deporting vast numbers of persons to distant places, the Government did not make much progress in that direction, and were not very ready to assist others in the dispatch of emigrants.

When the first effort was made and negotiations commenced for the settlement of South Australia—in February, 1831—there were three circumstances powerfully influencing persons in their endeavours to carry it into effect: The general desire for emigration; the wish to see Mr. Edward Gibbon Wakefield's scheme of colonization practically tested; and the then recent discovery of a further portion of Australia by Captain Sturt's voyage down the River Murray to its outlet, in February, 1830.

Most Governments know how much more they suffer, in the estimation of the people, by the reproach of failure of their designs than they gain from the praise of those that succeed; and the British Government—probably acting on this knowledge, and to avoid becoming responsible for the discredit of its failure should the scheme prove unsuccessful—were willing to consider a proposition that the charge of founding, peopling, and governing the new settlement, with the management of the land sales, the application of the proceeds to emigration, and other matters, should be undertaken by a Company with a proposed capital of £500,000, to be called the South Australian Land Company, and to be incorporated by Royal Charter, under which the Company sought numerous and extensive powers, including the preferential right to purchase 500,000 acres of land at the rate of five shillings per acre, the payment for which was to extend over five years by annual instalments of £25,000, with an indefinite time to make their selections. But when the whole of the terms of the Charter were submitted, embracing as it did something like a delegation of the substantial powers of sovereignty over the territory, the Government declined to entertain the proposal, and thus the first attempt to plant the Colony was abandoned in August, 1832, to the great disappointment of many families who were prepared to emigrate, and some of whom, on the frustration of their purpose, deported themselves to the North American Colonies.

Founding Act passed.

A change in the Ministry having subsequently occurred, some of the former applicants, with whom others now joined, began a second negotiation for founding a new Colony on the southern shore of Australia, and submitted the general terms of the project, which were favourably received by the Government. But when

the draft of a proposed Charter, somewhat modified from the former, was afterwards prepared, submitted to, and considered by the Government, it was not accepted. Then, in 1834, the Government was asked to obtain from Parliament the authority necessary for planting a Crown Colony in South Australia under certain conditions set forth. This the Government consented to do, but pointed out that in doing so they intimated no opinion upon the fitness of the district selected for the intended Colony, and that they claimed the right of opposing the measure in such of its details as they might disapprove. The Bill was introduced into the House of Commons, the second reading took place on 23rd July, 1834, and it passed with but slight opposition, it being characterised by one of its opponents as "a Bill to realise the views of a set of experimental philosophers." It passed the House of Lords and became law on the 15th August, 1834, by the Act known as No. 95 of 4th and 5th William the Fourth, "to empower His Majesty to erect South Australia into a British Province." It, among other things, authorised the appointment of three or more Commissioners, with power to them to declare lands open to purchase by British subjects; to make orders for the surveying, letting, and sale of such lands at such price as they might deem expedient, and to apply the whole of the funds received as the purchase-money or rent in conducting the emigration of poor persons from Great Britain or Ireland to South Australia; it provided that no land should be sold except in public for ready money either by auction or otherwise, but in no case and at no time for a lower sum than twelve shillings per English acre, and that the upset selling price at which lands might be sold, as declared by the Commissioners, should be a uniform price per acre, whatever the quantity or situation of the land put up for sale; there was also power to appoint a Commissioner of Public Lands, to be resident in the Colony, to act under the orders of the Board of Commissioners; it provided that until sales of land should produce a fund sufficient to defray the cost of conveying poor emigrants to the Province, the Commissioners might take up at interest, not exceeding £10 per centum per annum, £50,000, secured on the credit and to be a charge on the whole fund to be received from the sale and rent of lands; and similarly, for the purpose of founding and governing the Province, to borrow the sum of £200,000 to be a charge on the ordinary revenue or produce of all rates, duties, and taxes, and to be deemed a public debt owing by the Province. Provision was also made that no convict should at any time under any circumstances be transported as a convict to any place within the limits of the Province. A Constitution of Local Government was to be established when the population amounted to fifty thousand souls, but the mode of disposing of the

land, and of the funds obtained by the sale thereof, was not to be in any wise altered or changed otherwise than by the authority of the Crown and the consent of Parliament, and provision was to be made in the Constitution for the satisfaction of the obligations of any of the unsatisfied Colonial Revenue Securities. Out of the moneys borrowed by the Commissioners they were to invest, in the names of trustees, the sum of £20,000 in Exchequer Bills, for providing a guarantee that no part of the expenses of founding and governing the intended Province should fall on the Mother Country; if after the expiration of ten years from the passing of the Act the population should be less than twenty thousand natural-born subjects, the unsold public lands should be liable to be disposed of by the Crown, subject to the payment, out of any moneys obtained from the sale, of any then unsatisfied South Australian Colonial Revenue Securities charged upon the land; and until the Commissioners should have raised by loan and invested in Exchequer Bills the sum of £20,000, and until persons intending to settle in the Province should have invested £35,000 in the purchase of land, none of the powers and authorities under the Act should be of any effect.

Appointment of Commissioners.

A delay of six months occurred after the passing of the Act before the names of gentlemen willing to act as Commissioners for carrying the Act into effect were submitted to the Government. The Commissioners were gazetted on 5th May, 1835, the Government lending them no aid whatever, and in commencing their duties they were left to their private resources and to those of their friends to provide the pecuniary means of carrying on the service. In June following they issued their first regulations for the sale of land. Each order was to be for one lot of land, and each lot was to consist of a country section of eighty acres and a town section of one acre, the price to be £81, or £1 per acre. The holders of the first 437 orders sold in England were to have priority of choice with respect to both town and country land. The Commissioners made extraordinary exertions and resorted to unusual expedients to effect preliminary sales of land to the required amount of £35,000. One of these expedients was that each officer connected with the Commission, except the Governor, should be required as a condition to his appointment by the Board or recommendation to the Government, to purchase land in the Colony at the rate of 500 acres for every £100 of salary; and although this could not be carried into full effect, the principle which it involved was so far acted upon that those candidates for appointments in the Colony who became purchasers of land were considered (personal fitness being equal) to have a preferable claim. Most of the officers became purchasers of land orders, but still the required sum was not obtained, and the Commissioners, with all their exertions, experienced so much

difficulty in finding purchasers of land that again it looked as if the scheme would have to be abandoned ; and in all probability such would have been the case had not the late Mr. George Fife Angas, who took a very deep interest in promoting the establishment of the colony, used his influence among his City friends and induced them to join him in the formation of the South Australian Company, with a capital of £500,000, the bulk of which was subscribed.

The South Australian Company.

The Company was formed on 26th January, 1836, its primary object being to buy sufficient land to make up the sum of £35,000 required by the Commissioners, provided that they would reduce the original upset price of £1, to 12s. an acre, which they did, and thereby gave great dissatisfaction to those who had previously purchased at £1 an acre. This feeling was, however, soon removed by the Commissioners granting to the original purchasers as much land as would reduce the cost of what they had purchased to 12s. an acre. Thus an original purchaser of eighty acres of country land and one town acre allotment, for which he had paid £81, received 134 acres of country land (since known as a preliminary section) and one town acre block. On the 1st March, 1836, the upset price of land was again raised to twenty shillings an acre. The formation of the South Australian Company, besides enabling the Colony to be planted, was of immense advantage towards its successful foundation, because the Company's large capital, which was vastly beyond any other sum available for the same or similiar objects, was to be expended in such various ways, all tending to give employment to the people and to the development of the resources of the country. The necessary land was purchased, and the Act brought into force. The Company became a Land, a Banking, and a Trading Company ; it undertook to build and buy ships ; to establish whaling fisheries and stations ; to enter into agricultural and stock farming ; to embark in pastoral pursuits ; to lease land to farming tenants and assist them to cultivate their holdings by advancing funds ; all of which were entered upon. It also reclaimed from the sea and established the present Port Adelaide, connecting it with the City by means of a road made through the swamps at a cost of £13,000. Wharves were built and storehouses erected for the accommodation of shipping and commerce ; a flour mill was built near the Park Lands, and numerous houses and shops within the City ; and lands were let for building purposes. When we consider how favourable to the advancement of the Colony all these operations were ; that they were not all accomplished without some failures ; that the Company underwent many viscissitudes and encountered some perils, and that, with loss of capital and with division of profits long deferred, its shareholders are not even now participating in larger annual profits than are shared by

many persons who have more recently entered into less speculative ventures, we may fairly regard the success of the Company as the well-merited reward of its spirited enterprise.

Mr. G. F. Angas the Founder of the Province.

Without doubt Mr. Angas originated the Company, and thereby, in a greater degree than any other individual, became the Founder of this Province. He was afterwards a colonist resident among us for many years, and to the close of his long and useful life was identified with the Colony's progress, never failing to advance its interests in every way in his power.

Mistakes of early Administration.

The cardinal mistake on the part of the Commissioners, which proved to be the cause of so many difficulties, disappointments, and losses, was permitting emigration to take place to the extent they did for a period of two years before the country land was ready for selection. The first ship to arrive from England was one belonging to the South Australian Company, the "Duke of York," which sailed towards the end of February, 1836, with

First Arrivals.

thirteen emigrants, anchoring on the 27th July in that year in Nepean Bay, Kangaroo Island, where the Company first located itself, for it was then unknown where the settlement on the main land would be effected. Colonel Light, with the first survey party, arrived in the "Rapid" at Kangaroo Island on the 19th August, 1836, and on the mainland, near Cape Jervis, on the 3rd of the month following. Of the 546 arrivals by sea in the year 1836, 375 persons preceded the coming of the Governor, the proclamation of the Province, the survey of any land whatever, the selection of the site of the Capital, and the passing of any laws for the government of the people. The site of the City of Adelaide was fixed on the 27th December, 1836, after the arrival of Governor Hindmarsh. The survey of the City was completed, and on the 23rd March, 1837, those preliminary purchasers who had deposited money for land in England to enable the Colony to be founded, made their selections. A few days afterwards the remaining acres were sold by auction. Then came our first land boom, when those acres which had cost from two to fourteen guineas each at auction, and those first selected at 12s., were selling at from £80 to £100 each, and for those considered to be well situated as much as £250 were demanded, resulting, as most land booms do, in disappointment to many and in the witnessing of the resale, some four or five years afterwards, at prices not reaching to more than one-fifth of those rates.

Delay in Survey of Land.

Another grave mistake made by the Commissioners was in sending so small a staff of surveyors, which was soon reduced by the Deputy Surveyor-General's return to England, leaving the parties in the field altogether insufficient to survey even the preliminary purchases, while land orders were continuing to be sold daily. Throughout the year 1837 the complaints of the settlers at being kept out of their land were both loud and deep, for there was no

country land whatever ready for selection, and no productive employment for the people. For want of their land they could neither proceed with agricultural nor with dairy pursuits, and the implements required for the former, and the utensils for the latter, which they had brought with them, crowded the auction rooms and were sold at absurdly low prices that their owners might support themselves on the proceeds. The majority of the settlers were without income, and had to live upon their capital and by the sale of their town acres. Rents being very high, employment was given to artisans, at extravagant wages, to erect buildings in the City; but as houses soon increased and rents diminished, those who had embarked their capital in buildings had cause to regret making such investments. During the year 1837 nine ships arrived with 1,297 passengers, and the population, at the close of that year, could not have been less than 2,000 souls.

Governor Hindmarsh superseded by Governor Gawler.

Many of the officers having become engaged in such serious controversies between themselves and the Governor, Captain Hindmarsh, being unable to restore harmony among them, was, upon the representation of the Commissioners to the British Government, recalled, and Colonel Gawler appointed as his successor. Before his arrival, however, (on 17th October, 1838) the public accounts had fallen into confusion; the salaries into arrear; the surveys could not be proceeded with at the rate required; the Treasury was exhausted; and Bills on the Commissioners to the full amount authorised for the whole of that year had been drawn during the first six months. The exports of produce for the year were represented by £770 worth of wool, and the Treasury receipts of revenue only amounted to £1,448. No portion of the proceeds of land could, lawfully, be applied to the expenses of government. The population had increased to about 6,000 souls, and only 86 acres of land were under cultivation, of which 20 acres were in wheat.

Erection of Public Buildings.

Early in 1839 Colonel Gawler, in his anxiety to provide for the erection of a Government House (his then habitation being described as truly miserable), and impressed with the necessity for permanent Public Offices, Court House, Gaol, and other public buildings, commenced their erection, with the subsequent approval of the Commissioners, to the extent of the estimated cost of £25,162, which, however, was greatly exceeded. The Governor was entitled to be properly domiciled, but doubts were freely expressed whether, in the then depressed condition of the country, a building less costly and ostentatious, would not have been more appropriate. So also with respect to a Gaol, which, unfortunately, is quite neccessary even in a very limited community. The one I found here on my arrival was certainly not adapted to the end in view—the safe keeping of prisoners. It consisted of a tent with an airing ground in front enclosed with a rope, around which one or two of

the turnkeys patrolled, armed with a Brown Bess musket. But while it will be acknowledged that this accommodation was altogether inadequate for the purpose, there was no reason why the other extreme should have been adopted. High walls and strong doors were doubtless necessary, but angle towers surmounted with cut stone embattlements were certainly not required. The stone alone for these architectural embellishments cost 42s. per cube foot to work; while for other services artisans were paid from £3 18s. to £4 4s. per week, and the cost generally was so greatly enhanced by the high price of labour and from unforseen contingencies, that it brought ruin upon a most respectable firm of contractors and involved the Colony in debt for years afterwards. The erection of these buildings created a demand for labour and diverted people's attention from developing the productive resources of the country. Settlers were continuing to waste their capital in personal expenses while waiting to be put into possession of their country land; and so late as October, 1839, a considerabie number of preliminary purchasers were still unsatisfied, and the holders of the right of choice in about 450,000 acres of special surveys were pressing for the survey of their several portions. Opinions differed at the time as to whether the public expenditure should have been strictly confined within narrow limits and the public works deferred to a future period, or whether the large Government expenditure of the year 1839 had been of essential benefit to the Colony. It certainly had the effect of greatly increasing the General Revenue, as the last quarter's receipts reached £5,695, which, however, was not much to meet the expenditure of £34,000 disbursed in the same period.

Dearth of Breadstuffs.

It was estimated that the land under crop in the year 1839 amounted to 443 acres, 120 acres being in wheat; but in September of that year, before the harvest was ready to be reaped, such was the dearth of breadstuffs that as much as £90 a ton and £10 for a single bag of flour were demanded, with a threat held out by those who had engrossed the market that exportations would be made to further enhance the price of the small stock remaining on hand. To prevent this the Legislature passed "An Act to impose certain rates and duties upon wheat and other grain, flour, meal, and biscuit exported from the Province of South Australia, and to prevent the clandestine exportation of the same;" by which it was enacted that the Governor might fix such rates and duties, payable for such period of time as should seem fit, on the export of such articles, and that four days' notice of any intention to ship should be given to the Collector of Customs, with severe penalties for default. The Act was to remain in force for six months only. I believe it was never enforced, the mere passing of the measure having had the effect of preventing

the exportation of breadstuffs. The singularity of the necessity for such an Act is only equalled by the novelty of the measure itself, which is probably without precedent in delegating to an officer irresponsible to the people the power of taxation, without limit either as to amount or time, on the export of any article enumerated in the Act. And one can hardly realize in the present day that a country that was reduced to such an extremity should after the lapse of a few years become, for the number of its people, the greatest exporters of wheat and flour in the world—so much so as to cause our neighbours to describe our City as the "Farinaceous Village"—and that we should have since fed ourselves and during the last forty years have exported breadstuffs to the value of something like £40,000,000.

Dishonour of Governor Gawler's Bills.

As the Government buildings progressed towards completion there was a want of employment for artisans and for the numerous immigrants arriving, so that a large number of men, women, and children had to be supported by the Government, to pay the cost of which and of the public works, bills were drawn upon the Lords of the Imperial Treasury, and, being in excess of authority, were not accepted. The first draft refused acceptance was on 24th August, 1840; it became due on 26th October following, and was dishonoured. The effects of the return of the unpaid Bills were most serious, and were thus humorously described by a Pioneer, the late Mr. Nathaniel Hales, in his "Recollections":—"The dishonour of Colonel Gawler's drafts was the bursting of the torpedo beneath us. The Colony was insolvent. Universal was the panic. Nearly all the mercantile firms engaged in business to any great extent wound up their affairs. Credits, debits, contra accounts, balances, and such like, were meaningless phrases as related to the then present period, just as dinner-time and supper-time were mere figures of speech when there was nothing in the house to be eaten. A man might have a thousand or two thousand pounds debited in his ledger to highly-respectable parties, or he might owe a hundred or two—it came to exactly the same thing. The apparently absurd dogma, broached by the French Revolutionists, of 'equality,' was absolutely realized then by the people of Adelaide. All were equal, for all were equally moneyless. A general amnesty in matters of indebtedness was proposed—decidedly a work of supererogation; for supposing there were a few individuals who could scrape together silver enough to pay Court fees, who would be so mad as to sue a soap bubble? Besides, there were no parties really indebted. An old authority assures us that 'He nothing owes who nothing has to pay.' Exactly; and as none of us had anything wherewith to pay, of course we were not in debt. There is nothing like logic to illustrate the truth."

Imperial assistance vouchsafed.

With the coming of the year 1841 the failure of the Colony seemed imminent, and its condition such that it was specially brought under the notice of the British Government, who made provision for advancing a sum of £155,000, by way of loan, to meet the unliquidated liabilities of the Colony so far as they were known. A Committee of the House of Commons was appointed "to consider the Acts relating to South Australia and the actual state of the Colony." The Committee reported in June, submitted a mass of evidence, and made certain recommendations—one of some importance to us and afterwards made law, which was that only one equal half-part of the gross proceeds of the sales of the Waste Lands should be appropriated towards defraying the expenses of emigration from the United Kingdom, instead of the entire proceeds as provided by the Act founding the Colony. On the 14th May of that year Governor Gawler was succeeded by Governor Grey, who immediately commenced the policy of retrenchment enjoined upon him by the British Government. Offices were reviewed and useless officers dispensed with, salaries were reduced, the erection of public buildings was discontinued, and every endeavour made to bring the expenditure within the revenue. In this the Governor proved successful, so far as related to matters under his own control, as he reduced the first year's estimates from £94,000 to £35,000, and he succeeded in passing his first Appropriation Act for £34,778 18s. 4d., and in subsequent years for still smaller sums, the expenditure for the years 1843 and 1844 being respectively under £30,000. There were some matters, however, which he could not control. One was the demand for payment of the outstanding claims for buildings left unsettled by the former Governor, amounting to £35,000, and another was the cost of supporting the unemployed and their families, representing a sum of £17,646. These amounts were not included in the £155,000 which the British Government had temporarily supplied. But Governor Grey, having learned that Governor Gawler's Bills had been met out of that sum, ventured to draw upon the Lords of the Treasury for both amounts (together £52,646); but the Bills were not paid, and they were afterwards liquidated by the issue in Adelaide of Colonial Debentures bearing interest at £5 per cent. per annum. Universal bankruptcy and great distress then prevailed throughout *all* Australia, such as had never occurred before or have been since experienced. The severe fall in land, stock, and all other property would appear to us at the present time as almost incredible. A song was composed and nightly sung, which was especially applicable to the then circumstances of New South Wales in describing the troubles of the period, which it did in the personal lamentations of a luckless individual named "Billy Barlow," amongst whose terrible misfortunes was "the sale of his sheep at sixpence per head, with the run

Governor Grey's *regime*.

Universal distress.

given in"—a state of things which was actually not so very far from the truth. Emigration from other countries had ceased. The privations of the settlers were severe, and everything seemed to be at its lowest. In May, 1841, New Zealand was declared independent of New South Wales, and was erected into a separate Colony, and thither many of our settlers went to try their fortunes.

"Suffering a recovery."

For two years after Governor Grey's arrival it might be said that the country was "suffering a recovery," with that painful languidness which so often follows a serious illness. The disorder had passed away, but the pain and struggle towards convalescence were almost more than the patient could bear. This was the period of our greatest gloom and apprehension; when employment in the city became scarce; when there were something like two thousand men, women, and children being supported by the Government; when the economizing policy insisted upon by the British Government was being carried into effect; and when general bankruptcy had overtaken the people. A fair amount of capital had been brought into the country by the earlier settlers, but it had disappeared, from the delay in surveying the country lands, and the inability of the purchasers of land orders to locate themselves, or follow any pursuit of a productive nature. The erection of shops and dwellings in the City, and the buying and selling of City land, had mostly engaged the attention and absorbed the means of the people. Large consignments of goods had arrived, and trade had been carried on in some cases with profit, but in many more instances without; so much so, that not all the proceeds of consignments reached the hands of the consignors. For some time a sort of commercial cannabalism prevailed, but which could not long endure. The loss of capital incurred in founding the colony cannot be estimated, but it must have been very considerable, inasmuch as nearly all those engaged in the importation and distribution of merchandize, with many others, were ruined. A number of persons were in prison for debt, for whom there were no means of relief. It was found that the British Bankruptcy and Insolvency Laws did not apply to South Australia, and so these unfortunate debtors continued in gaol until an Act for giving relief to Insolvent Debtors was passed on the 22nd June, 1841, and an Insolvent Court was established, when there soon after followed what might be termed a "general gaol delivery" for debtors.

"General gaol delivery" of debtors.

Short currency

Another serious difficulty arose when our capital became diminished, as there were then no means of paying wages in money. I am rather loth to introduce the somewhat vexed question of the relation of capital to labour, and, in doing so, it is not with a view of debating it from party sides, but to show you from actual experience of our transactions in this country in the early days, how heavily

labour was handicapped for want of capital. I need hardly say that production rests on division of labour, and division of labour involves easy and prompt exchange, which again involves a common medium, for which the most facile currency is money. This common medium became uncommonly scarce, and recourse was had to the "Truck" system, the "Order" system, and to the absence of any system whatever, for the most ingenious devices were resorted to as substitutes for cash, with the certain result that there was in fact no satisfactory medium but money. Those who are without experience of what is known as the "Truck" system, or the payment for services by a system of barter, have no conception of the value of money as a common mode of an easy and prompt exchange. There can be no worse payment of a workman's wages than compelling him to take therefor a quantity of the articles he assists in making, or of those which his employer can obtain. It is not so long ago, even if the practice does not now obtain, when farm labourers in some parts of England were compelled to take certain quantities of grain and cider in part liquidation of their wages. It was the practice with many country employers to give orders on their agents in Adelaide for the payment of wages, which frequently led to disappointment, annoyance, and loss to the employé. Happily the present generation have no experience of those objectionable systems, for with sufficient capital, which we now possess, money is paid in exchange for labour, which is of the greatest benefit to the labourer, enabling him to go to market with money in his hand, buying only what he requires, and to the best advantage.

Substitutes for cash.

Increased agriculture.

One of the most beneficial effects of Governor Grey's policy was to discourage people from remaining in town by diminishing government expenditure, and they soon began to depart to the country, there to labour with their own hands rather than be burdensome. Cultivation was then carried on extensively, with such good results, that the next difficulty which had to be faced was—how was the crop to be reaped? there being no spare agriculturalists available for that purpose. The few soldiers stationed here were permitted to labour in the harvest-field, and many clerks, shop-keepers, and artisans, joined in the work with not a few soft-handed gentlemen, delicate ladies, female domestic servants, and others who had perhaps never before had a sickle in hand, turned into the fields and gathered in the harvest. No such difficulty has since arisen, as by the invention of Ridley's reaping machine, subsequently improved, the largest harvests are now secured with facility.

Some of the clouds that lowered upon us were gradually passing away during the year 1843. Our export of wool reached the value of £45,568, and for the first time we exported minerals, although representing only the modest sum of £127. Our

revenue had slightly improved on that of the previous year, but it only reached £24,953, while our expenditure was £34,386, which was, however, less than any of the four preceding years.

A brighter picture.

On the completion of the year 1844 the picture I am attempting to portray exhibits brighter colours, and contains a little more of light to relieve the shadows. The Kapunda Copper Mine, which had been discovered in the latter part of 1842, was being productively worked, and brought up the export of minerals to £6,436, and the value of wool exported was £42,769. The revenue had advanced to £26,899, and the expenditure was £29,362; the population numbering 19,000 souls.

On the 25th October, 1845, Governor Grey was called away to assume the government of New Zealand, when his services to South Australia as a far-seeing statesman, as a courageous reformer and a careful economist, were fully recognized and acknowledged by the people, and when he had the proud satisfaction of knowing that a country which he had found so depressed was then on the high road to prosperity.

The Burra Burra Mine

The picture continued to improve in its brightness throughout the year 1845, when the export of wool was valued at £72,235, and minerals had increased to £19,020, as during the last quarter of the year the export of copper ore from the Burra Burra Mines had commenced. It was in the winter of this year that the Burra Burra and Princess Royal Mines were discovered, and the more extensive working of which, in the year 1846, caused the distribution of such large sums of money in payment of wages and cartage, among so limited a population as 25,893 souls, that a marvellous change was effected in the condition of the Province. It would take me far beyond my present limits to attempt a description of the excitement that prevailed, and the struggle which took place to secure the possession of these properties by the colonists. The beneficial results of the working of these mines are, however, distinctly shown in the increased export of minerals, which this year amounted £143,231; the wool to £106,510; the revenue to £47,286; the expenditure being only £38,690. The prosperity of the country was then assured. We managed to live within our income, and had, therefore, arrived at that state of economy which we have been told is "the foundation of all true respectability."

The "Wakefield System" of colonization.

South Australia having been established on the "Wakefield System," one can scarcely avoid a review of its "principles." These I understand to be: A uniform price in cash for all lands wherever situated, the application of the whole of the proceeds to the introduction of poor immigrants, and the land to be sold at such a sufficient and varying price so as to regulate the supply of labour with capital. I think it will be admitted that the principle of insisting on the sale of land at a moderate uni-

form price, in lieu of free grants, is thoroughly sound and equitable, for it must be acknowledged that in those colonies where land has been sold at a moderate rate such as to tempt persons to become purchasers, and yet at a rate needing the employment of some capital, the settlements have been of a more satisfactory kind than they could have been under a different policy. If the land had been given away in large quantities to persons who had no immediate necessity or intention of making use of it, or if it had been easily obtainable at not much more than nominal prices, it would have been allowed to remain unutilised and unsettled simply because the owners would not have needed to obtain some productive value in return for the capital employed, but would have waited for a value to be given to it by the exertions of others or by the favourable developments of the future. The application of the whole of the proceeds of the land fund for the purpose of introducing immigrants, without contributing anything towards the cost of government or the making of roads, bridges, and other necessary public works, proved a failure. This was acknowledged by the subsequent passing of an Act of Parliament (5th and 6th Victoria, cap. 36, 1842) which reduced the proportion to one half part thereof, and this, in practice, proved more than was required. It is due to Mr. Wakefield to say that he admitted that this principle was not to be an abiding one, that it was only required to be in force tentatively whilst colonization was being effected, and the State was being built. The changing price of land to regulate the supply of labour was never adopted, and, if it had been, it could not have been successfully enforced. While a country is subject to occasional gluts of labour and capital, the labour market must be exposed to disturbance, and its arrangement could rarely have been secured by alteration in the price of land. The over-expenditure by the Government, the delay of placing settlers on the land, and the depression and ruin thus brought about, were unforseen reverses which ought to have been avoided, and were not contemplated by Mr. Wakefield, and for which his "principles" were in no way responsible. It is also due to him to record the fact that he never called his system a self-supporting one, and that he looked upon such a description as a sort of puff. In view of the fact that all monetary assistance afforded by the Mother Country in founding and supporting this Province has long since been repaid, it may be said that South Australia has been, virtually, self-supporting; but it could not have been successfully maintained without the temporary aid which it received from the Imperial Government, for whose timely assistance we cannot be too grateful. At the same time we are free to confess that we should not have required assistance to so great a degree if our finances (in the early years to which I am referring) had been managed with more wisdom.

Sterling qualities of the Pioneers.

The early settlers evinced great boldness in coming to the country when they did, for it was no light undertaking for men and women, with their children, to leave the comforts and conveniences of civilization and venture to settle in a country whose geographical position was not very generally understood and of whose productive powers absolutely nothing was known, and it was the possession of like courage when they were surrounded with difficulties which enabled them successfully to withstand and surmount them. I have always urged and am still of opinion that the greatest factor in overcoming our difficulties was the sterling qualities of our Pioneers. Taking all classes together they were a superior sample of the people of the Mother Country; and I was glad to have my opinion confirmed by so high an authority as Sir George Grey, who from the first occasion to the last on which he addressed an Adelaide audience during his recent visit to us, never omitted to gracefully acknowledge the abilities and good qualities of the settlers he found here on his assuming the government. That they were above the average of British people is easily explained. Those who are intimate with the history of England for the last sixty or seventy years well know that during the later twenties and earlier thirties she was not in the prosperous condition she has since experienced and now enjoys. She was then suffering from prostrated trade, very general distress and severe depression, consequent upon the speculative follies and commercial disasters of 1824-26, which had its ruinous effects upon all classes—even on those who had acted with prudence, for they sustained losses, more or less, in common with the rash speculator, as will always happen in times like those when the mischief and losses incurred cannot be confined only to the speculative and imprudent. The outlook in England when the colonization of South Australia was first mooted was not encouraging for professional or educated men, nor for tradesmen, nor for the working men. Her poor were starving for want of work, her rich were impoverished by maintaining the superfluous heads, and a very strong desire obtained among all classes to try a new field for their labours. In 1834 no less than 1,200,000 paupers were in receipt of relief, or, according to population, three times more than now obtains. Our Pioneer Colonists had their privations, their disappointments, and their losses, which they bravely met; most of them were extremely capable and intelligent, possessed of sturdy endurance and self-reliance, determined to succeed if success were possible; in short, they were made of the right sort of stuff, and well worthy of the grand old country whose sons they were. It was these qualities which enabled them to meet and surmount the reverses with which they were environed. I am going to adduce another reason why the early settlers were better able to conquer their difficulties, although it

may provoke a smile from some confirmed old bachelor if there be one present. They were in numerous instances young and recently married, many marriages having been hastened to enable the young people to cast their lot and try their fortunes in this country. This was wise, as I think, because it is generally conceded that there is no better period in the lives of intending settlers to emigrate than when they are making so important a change in their condition as marriage. It is then when men and women leave their homes and have to found new ones, that even the painfulness of the severance from their native land to do so, is less felt than it would be after forming a home soon to be broken up again. It is a period, too, when men and women feel that they are all the world to each other, so that as long as they are together the locality of their residence is of less consequence. It is a time when new enterprises may be undertaken with better hope of success, for persons are then possessed of double strength with twice the amount of hope and exhilaration that they have at any other era of their existence. There certainly is no better period when a man may commence a great, important, or arduous undertaking, than when he has the enthusiastic help and tender sympathy of a loving wife.

Ill success of many Pioneers.

With the prosperity that followed our adversity, I should have liked to have been able to say that the early settlers who worked so diligently, and struggled so hard to sustain the settlement of the Colony, met with the good fortune which such conduct merited. Alas! it was not so. More fortunes were lost, or missed of making, than had been retained or secured. The coming of general prosperity was, so far as most of the Pioneers were concerned, only the renewal of fresh efforts more or less empty-handed. I have not attempted a description of the numerous domestic troubles of the Pioneers. Seriously annoying as many of those were, they generally had a humorous side; indeed they were often of so comical a character as to provoke mirth rather than depression.

The retrospect and its lessons.

Having now told the tale, I may be expected "to point the moral;" and if I do not succeed in showing all the useful lessons which might be learned from the dry, hard facts I have mentioned, I hope your intelligence will enable you to draw therefrom some useful conclusions which might have escaped my notice. I think among others we learn these lessons: That the colonization of a country cannot be effected without external assistance; that sufficient land should be surveyed before the arrival of the first settlers, and be always kept in advance of the wants of applicants, so that there shall be no unnecessary delay in selecting and settling on the land; that a long time must elapse before the settlers can raise from the raw earth the products required for their sustenance; that great as the difficulties were

in founding this Province, they were successfully combated and overcome by the persevering exertions and the energies of the Colonists; that through all our difficulties we should endeavour to avoid dejection and try to possess a spirit of hopefulness, remembering that dark as are the clouds that overshadow us, the silver lining will sooner or later appear, and dispel our gloom by its brightness.

The aims of your Association will doubtless have and exercise great influence in moulding the opinions of your fellow-colonists. Let me therefore urge you not to forget, in the pressure of present business, the teachings of the past; but, remembering the instructive lessons which former events have taught us—so full of warnings for the future—carefully give heed to these warnings, for if you do not you will enter upon the difficulties that may lay before you without your best guide.


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