

THE SOUTH AUSTRALIAN COMPANY: 1835-1949: HISTORY AND ARCHIVES

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The records of the South Australian Company held by the Mortlock Library of South Australiana (Business Record Group 42) promise to provide historians and other researchers with a most useful perspective of the early development of an Australian colonial economy. Besides making a significant contribution to the founding and fashioning of the new settlement of South Australia, the South Australian Company continued to play a prominent part in the commercial affairs of Adelaide and its surrounding regions for more than a century. As such the volume of material contained in the record group is quite substantial, comprising some fifty major separate series of records occupying in all some nineteen metres of repository shelving.¹

Other records of the South Australian Company are held by the Mitchell Library, Sydney.²

The South Australian Company was formed in London on 9 October 1835 by George Fife Angas, an influential merchant and philanthropist and a member of the Board of Commissioners responsible for establishing the new colony of South Australia. The Company was formed for the immediate purpose of encouraging the preliminary purchase of land since the Commissioners' decision to fix the price of land at twenty shillings per acre had brought land sales to a standstill, arousing doubts about whether the Colonisation Commission would succeed in fulfilling the terms of the South Australian Act, by which it was obliged to sell £35,000 worth of land before the imperial authorities would consent to the colonisation venture.³ With the help of his friends Henry Kingscote and Thomas Smith, Angas offered to form a joint stock company to take up the remaining unsold land at twelve shillings per acre. The Commission agreed, on the condition that the proposed company refrain from seeking any

monopolies in the colony, whereupon Angas purchased and transferred to the Company 102 lots of land of 135 acres including prime town and country sections, or 13,770 acres in all, with the right to rent a further 220,160 acres of pasturage.⁴

In January 1836 Angas equipped and despatched to South Australia an expedition of four ships on behalf of the Company, ahead of the Commission's own official expedition. A small settlement was established at Kingscote on Kangaroo Island in July 1836 but this location proved unsuitable for farming and the Company's operations were soon transferred to the mainland settlement.⁵ There Samuel Stephens, who had been appointed by the directors of the Company in London as its colonial manager, purchased more land for the Company around Adelaide in the hope of attracting 'experienced farmers possessed of small capital' to the colony.⁶ In April 1837, however, after reports of drunkenness and disorder among the Company's indentured labourers on Kangaroo Island, Stephens was replaced as manager by David McLaren who by 1841 had secured a further 36,000 acres of well-chosen land together with 20,000 sheep and 1,160 cattle for the Company, making it by far the largest owner of lands and herds in the colony.⁷



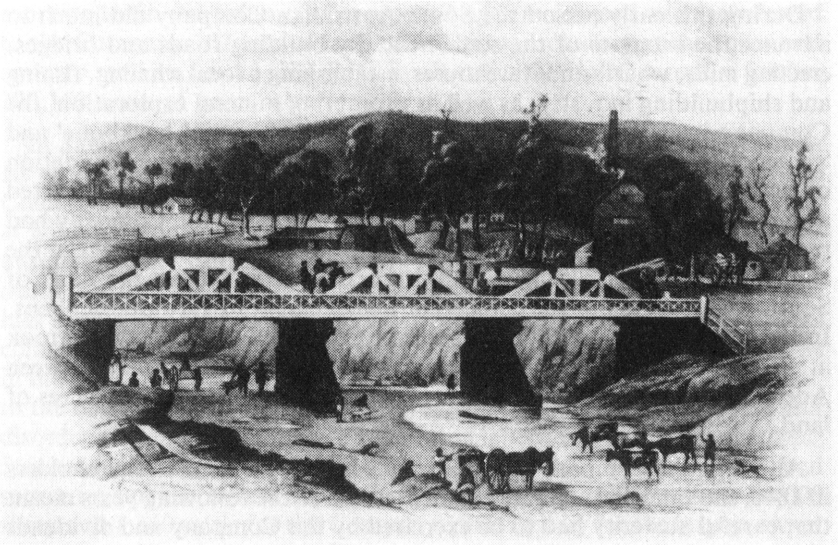
The South Australian Company's first office erected at Kingscote, Kangaroo Island, 1836. (Courtesy Mortlock Library.)

During this early period the South Australian Company did much to advance the interests of the settlement. By building roads and bridges, erecting mills, wharfs and warehouses, establishing a local whaling, fishing and shipbuilding industry, as well as promoting mineral exploration, the Company increasingly came to be identified as 'the real backbone' and 'provider of the colony'.⁸ When, within a few months of the foundation of the settlement the Colonial Treasury's funds became seriously depleted as a result of excessive speculation in stock and land, the Company had practically to finance all further development in the province. From the start it had conducted its own banking activities, setting up the Bank of South Australia under the competent management of Edward Stephens. In 1842 the Company at the request of the Colonial Government undertook at its own expense the construction of a much-needed road between Adelaide and the Port in return for a grant of a further 12,000 acres of land.⁹

Although the Company was able to pay its first dividend to shareholders in 1840, the financial collapse and depression of the following years meant that careful austerity had to be exercised by the Company and dividends did not really begin to be paid again until 1848 with the Burra copper discovery. By this time the shrewd and resourceful McLaren had resigned as manager to be succeeded by William Giles who, despite the depression and instructions from the directors in London to initiate the 'most rigid economy', tactfully managed the Company's affairs, even to the point of permitting the Company's 120 odd tenants to pay their rents in grain to prevent losing their farms.¹⁰

Giles also gave active encouragement to the Company's mining ventures. A silver-lead mine had been operated by the Company at Glen Osmond since 1841, and this was followed by the opening of copper-lead mines at Rapid Bay, Kapunda, Burra and Kanmantoo.¹¹ Yet the Company's mining operations were never greatly successful and in the case of the Kanmantoo mines proved a serious loss, in addition to which they had the effect of drawing labour away from farming and pastoral occupations—as did the Victorian gold rushes of 1851-52, when the Company refrained from pressing for the recovery of outstanding rents, in an attempt to induce tenants to remain on their properties.

Although the Company continued for the next half century to contribute markedly to South Australia's progress and prosperity, it never really regained the commercial ascendancy enjoyed during the early years of settlement. Already by 1860 the Company had divested itself of its interests in whaling, ship-building and banking, and had largely abandoned its mining and pastoral pursuits to concentrate almost exclusively on agricultural production. After 1874 there were no further significant purchases of land by the Company and though it had never been the original intention of the Company to purchase land for the purpose of



The South Australian Company's bridge and mill at Hackney, 1860. (Courtesy Mortlock Library.)

selling it again for a profit, by the 1890s, with the introduction of progressive land taxes aimed at breaking up the large estates, the Company was compelled to sell off much of its land. Then in 1917 the Vaughan Government gave notice of its intention to expropriate all privately owned wharf facilities at Port Adelaide and so, after extensive litigation, the Company lost one of its most valuable assets.¹²

By this time the decision to wind up all the Company's remaining commercial operations in South Australia had already been taken but because of the extent of its holdings and mortgages and the effects of the depression, this took many years to accomplish. In the mid 1930s, as a means of facilitating the liquidation of the Company's assets, management of its affairs was transferred to Elder's Trustee Company, all business relating directly to the South Australian Company finally being concluded on 17 March 1949.¹³

In accordance with established archival principles and practice, the records of the Company have been arranged into discrete series depending on their provenance (i.e. the office or branch of the Company that created or received and accumulated them) and the nature of their subject matter. Thus series 1-23 consist of material emanating from the Company's London office, among which are copies of the printed reports presented annually by the directors of the Company to its shareholders. These provide a useful overview of the Company's operations. Of even greater

significance in illustrating the sorts of factors and considerations that influenced the formulation and direction of the Company's policies are the seven volumes of minutes of meetings of directors, 1835-1912, and the three volumes of annual and special meetings of shareholders, 1837-90 and, most interestingly, of the special Committee of Management which oversaw the establishment of the Company in the new province during the first critical year of colonisation, 1836-37 (1 volume).

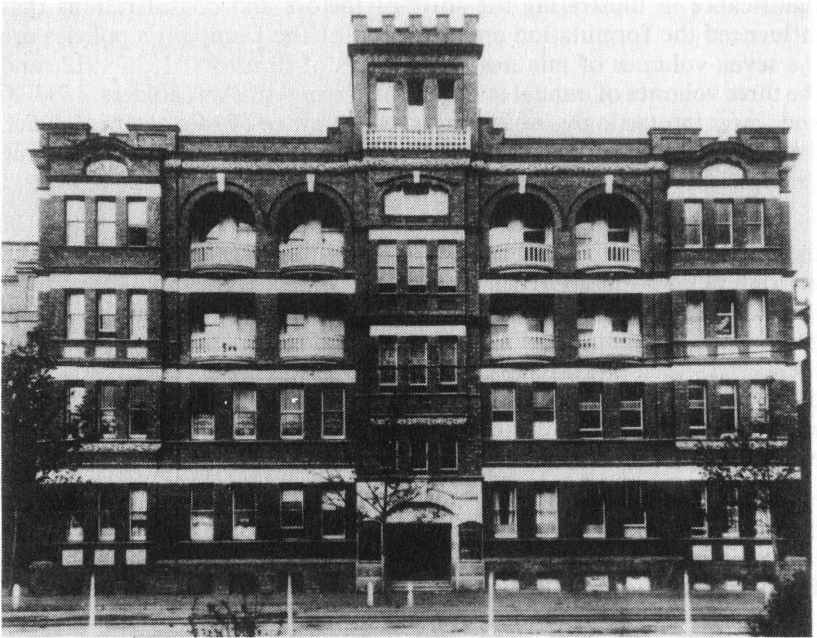
The correspondence of the London Office comprises a major part of the collection (2.3 metres) consisting of copies of letters sent by the manager in London to Company officials and others in South Australia, principally the Colonial Manager, as well as the originals of letters received from persons in the colony, again chiefly the Colonial Manager. Not only do these letters offer a valuable insight into the administration and functioning of a large, enterprising nineteenth century commercial institution, they also serve as a useful historical commentary on the socio-economic evolution of a small, isolated, rural-based community.

Among the records of the London Office are also several important documents connected with the formation of the Company and its title to lands in South Australia, including copies of the Deed of Settlement of 1836, the Certificate of Registration of the Company issued in 1844, and the Charter of Incorporation granted to the Company by the imperial authorities in 1856. Collectively these documents give some indication of the objects and organisation of the Company, the extent of its power, the names of the first directors and shareholders, the capital expended in launching the new venture, and other matters associated with the general management and *modus operandi*.

Material relating to the Company's short-lived and largely unsuccessful Kangaroo Island establishment embraces the correspondence of the Kingscote Office, 1836-40 (6 centimetres) and other miscellaneous papers that show many of the difficulties and disappointments experienced by the Company in its fruitless efforts to reap some advantage from the unpromising environment on the island.

The bulk of the collection, of course, is made up of the records of the Adelaide Office. Of principal importance among these records are the minutes of meetings of the Company's South Australian Board of Advice from 1841 to 1937 (8 volumes). Recorded in the minutes are the significant policy-making decisions and business proceedings relating to the day-to-day commercial affairs of the Company.

Of no less importance in following the affairs of the Company is the 6.4 metres of correspondence generated by the Adelaide Office. This consists, firstly, of letters received and copies of letters sent by the Colonial Manager to his superiors in London (3.4 metres) and, secondly, the general correspondence of the Manager with persons in South Australia, mainly



Gawler Chambers: The South Australian Company's Adelaide offices in North Terrace, 1914. (Courtesy Mortlock Library.)

letters received from tenants of the Company, but also correspondence with various government officials and other prominent colonists and landowners. (3 metres). These letters, most of which are remarkably well preserved, shed much light on the development of the new colonial society during its formative years, and in particular provide a graphic account of the effects of the depression which shook the colony's infant economy during the early 1840s. There are also many reports and letters relating to the Company's various properties and public projects, its land holdings (particularly in the South East) and its extensive maritime and mining interests.

Many of the original agreements entered into by the Company for the sale and purchase of land, leases and mining rights between 1836 and 1946 have been preserved, including details of the first land grants made to G.F. Angas and the directors and officers of the Company. As well, there are several major registers of leases, land sales and selections, showing the extent and location of the Company's town and country lands, the mode of their utilisation and disposal, and their sale price. In addition to this there is a large and disparate collection of material (4 metres) relating to the Company's returns from its diverse interests in South Australia,

consisting largely of an assortment of ledgers, cash books, sales books, wage lists, log books, freight lists, financial statements and inventories.

The written records of the Adelaide Office are complemented by maps, specifications, photographs and site plans of the Company's large number of properties and allotments in and around Adelaide, particularly its warehouse and wharf facilities at Port Adelaide.

The group also includes records of the Bank of South Australia, which was established by the Company as its own bank during the first years of settlement. These records consist of the correspondence of the manager of the bank (Edward Stephens) together with several lists of accounts and returns and other papers connected with the activities of the bank.

Given the composite, generally well-ordered and physically sound condition of the South Australian Company's records, it comes as somewhat of a surprise to find that they seem to have remained relatively untouched by researchers. Apart from the two unpublished theses by Diamond on the early triumphs and tribulations of the Company in South Australia—written nearly thirty years ago now—no other major study devoted to the history of the Company or its contribution to South Australia's development has been forthcoming since Sutherland's rather ponderous work published at the end of the last century.¹⁴ Clearly, the Company's records were consulted by Douglas Pike when researching his seminal work on the establishment of the province, but even he does not appear to have made extensive use of them, preferring instead to have relied on the Angas Papers as his chief source of information.¹⁵ The collection does seem to have been used in the preparation of some short but illuminating biographical studies, most notably those by Grenfell Price on Angus and McLaren in *Founders and Pioneers* first published in 1929, and more recently by J.M. Tregenza in his entry on William Giles in the *Australian Dictionary of Biography*. In general, though, these records have not yet been widely used by scholars, unlike the Angas Papers (also held by the Mortlock Library as Private Record Group 174) which do seem to have been quite extensively consulted by researchers, and which also contain a great deal of material relating to the founding of the Company. Indeed, it is still difficult not to agree with Grenfell Price's observation of more than fifty years ago that the records of the Grand Old Company represent for the most part a 'great and almost virgin field of research'.¹⁶

FOOTNOTES

1. The bulk of the collection came from the London and Adelaide offices of the Company and was deposited with the then South Australian Archives 1937-38.
2. The Trustees, *The Mitchell Library: Historical and descriptive notes*. 1936, pp. 34-35.
3. A. Grenfell Price, *Founders and pioneers of South Australia*. Adelaide, 1929, pp. 64-79.
4. *First Report of the Directors of the South Australian Company*. London, 1836.

5. I.A. Diamond. 'Problems in the South Australian Company's Settlement on Kangaroo Island', *South Australian Archives Accession No. 1391*. University of Adelaide (Unpublished B.A. thesis), 1952.
6. George Sutherland, *The South Australian Company; a study in colonisation*. London, 1898, p. 84.
7. *Australian Dictionary of Biography*. Vol. 2, Melbourne, 1967, p. 177.
8. Sutherland, op. cit., p. 78.
9. On the extent of the Company's activities during these first years of settlement see: I.A. Diamond. 'Aspects of the History of the South Australian Company: The First Decade', *South Australian Archives Accession No. D6215T*. University of Adelaide (Unpublished M.A. thesis), 1955.
10. *Australian Dictionary of Biography*. Vol. 1, Melbourne, 1966, p. 443.
11. For details see: H.Y.L. Brown, *Record of the Mines of South Australia*. Adelaide, 1908 (4th ed.).
12. South Australian Company, *Instructions to the Board of Advice No. 22*. Feb. 1917, p. 3.
13. F.O. Clayton, 'A Company of Yore—and Mine', *Trust Topics*. Elder's Trustee and Executor Co. Ltd., April 1974, p. 24.
14. See notes 5, 6, & 9.
15. Douglas Pike, *Paradise of Dissent. South Australia 1829-1857*. London, 1957.
16. Grenfell Price, op. cit., p. 257.