

AN HISTORICAL ANALYSIS OF COMMISSARIAT AND ALLIED
PUBLIC EXPENDITURE WITHIN NEW SOUTH WALES
1788-1821

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ABSTRACT

"AN HISTORICAL ANALYSIS OF COMMISSARIAT AND ALLIED PUBLIC
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The founding of a penal settlement in New South Wales in 1788 had many unique features, the most significant being the role of the English Government in the planting of this settlement. It would appear that the government undertook such a function only because no private groups would undertake the settlement of this site.

While Whitehall's ultimate motives in founding the settlement may be somewhat obscure, their immediate hope was for the creation of a cheap colony, by the attainment of self-sufficiency within two years of settlement. This hope was thwarted by conditions, both geographic and human, but the demand remained for a cheap colony, so that each Governor's success was measured by the volume of Commissariat expenditure, as reflected in the amount of bills drawn upon the Treasury. Each successive governor's administration was dominated by Whitehall's demand for economy, so that all administrative acts either stemmed directly from, or were highly influenced by this demand. While therefore, present documentary evidence does not permit of a definitive answer to Whitehall's long-term aim (if one did exist) in founding New South Wales, nevertheless the history of the colony up to 1821, in its various aspects reflects the attempts by the Governors to curtail

Commissariat expenditure to Whitehall's desired minimum.

Bills on the Treasury, as used by the Commissariat for the purchase of provisions and stores from colonial inhabitants, provided much of the capital requirements for the growing colony. This process was accelerated during two interregnum periods, when the unfettered rule of the New South Wales Corps officers allowed them to turn government assets to their private advantage.

The degree to which government expenditure provided an income for the colony, as reflected in Commissariat expenditure, has long been a neglected feature of Australian historiography. Accounts often quoted as showing such expenditure have never been analyzed as to what they actually showed. It has been attempted in this paper to show that these accounts do not only show the expenditure made within the colony, which is the expenditure of crucial importance to considerations of Australian economic development. An attempt has therefore been made to compile from various sources an account showing the volume of Commissariat expenditure within New South Wales during the period 1788 - 1821. Documentary deficiencies do not permit a complete account to be compiled, but a sufficient estimate has been made to show the main outlines of the growth of this expenditure.

While therefore Commissariat expenditure within New South Wales from 1788 to 1821, is not as large as accredited by those writers who have blandly accepted accounts such as in the Bigge Commission Evidence, the governmentally policy controlling this expenditure, as

it reflected Whitehall's desires for the colony, was a central, and more important feature of colonial history, than is usually credited.

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NOTES ON TERMINOLOGY, ABBREVIATIONS AND USAGE

H.R.A. - - Historical Records of Australia - - a collection which consists mainly of official papers, designed to show the main features of the history of Australia up to 1848. All references in this study, are to Series I of these Records, which contains dispatches to and from the New South Wales Governors.

H.R.N.S.W. - - Historical Records of New South Wales -- the seven volumes of this series cover the story of New South Wales, from its earliest discovery till 1811, in greater detail than the comparable volumes of Historical Records of Australia.

In references to documents contained in the above series, the following information is shown -- (a) addressor and addressee; (b) date of writing; (c) name of series, volume and page reference.

NEW HOLLAND - - an 18th Century name for the Australian continent.

TABLES showing Commissariat, Police Fund, Orphan Fund, Gaol Fund or Orphan School Fund expenditure, unless accredited to a definite source, have been compiled or estimated by the author. Because of the vast multiplicity of sources often used, it has not been possible to always show the various

sources of the tables presented, though often Governors' dispatches have proved the valuable source of information regarding the Commissariat.

TASMANIA

and Van Diemen's Land are used interchangeably, though officially the name, Tasmania, did not come into being till 1852. In the same way Australia and Australian have been used, where the officially recognized names of Botany Bay, and New South Wales would have been correct. However, since in the period under review, the only European settlement was New South Wales, and its southern appendage, and since historians commonly use "Australia" in speaking of the period, the usage followed appears well justified.

TREASURY BILL is never used in its modern sense. It is a bill of exchange drawn on the British Treasury. This contracted appellation is commonly found in the Governors' dispatches of the time, and is often employed by present-day historians.

PREFACE

There were many unique features associated with the founding of New South Wales. For purposes of this study the feature of greatest importance is the role played by the English government in being the actual colonizing agent. If the English government had not been willing or perhaps forced, to found a settlement at Botany Bay, it is doubtful whether Australia would have been possessed by Britain, for private enterprise had displayed little interest in these antipodean climes. Such progress as was made prior to 1850 was based, to no small degree, on the spending of the British government for the maintenance of its criminal emigrants. British government participation in the founding and early development of Australia, with its effect, both direct and subsequential, is therefore both a unique and a significant factor.

Considerations involving "economy" in public expenditure dominate not only the decision to settle a penal colony at Botany Bay but also the early history of New South Wales. However, while historians recognise this fact, none have considered, to any extent, how these considerations have affected the developments which occurred during the colonial period, yet in the period up to 1821, New South Wales was a government colony, with a governor of unfettered power. A further feature of significance was the function of the expenditure, by the Commissariat, in providing for colonial

producers, funds which were to finance subsequent development, in terms of capitalistic enterprise. The volume of such funds is of marked significance, but unfortunately there is no complete record of such expenditure extent, so an attempt has been made in this study, to compile, and where this is not possible, to estimate, the yearly volume of expenditure sanctioned and incurred within New South Wales between its foundation in 1788 and the end of Governor Macquarie's administration in 1821, which date marks a watershed in Australian development.

The aims of this study are therefore, (1) to formulate an estimate of Commissariat and related expenditures in the period 1788 - 1821; and (2) to show the policy of the English government regarding this expenditure; how it was interpreted by the various Governors, especially in the light of the peculiar conditions existing in the colony; and the manifestations of this policy and its interpretations in the early history of the colony. An interpretation of the colonial history, which sees the English government's desire for economy as the central feature of its policy, being interpreted by the various Governors with varying degrees of success in varying conditions, provides a more consistent explanation of events otherwise apparently inconsistent, than do more prevalent interpretations based on sometimes doubtful suppositions.

Australian colonial history has in the past suffered from an over-production of generalized works based on previous generalized works, and it is only in recent years that attention has been turned

to an examination of the bewildering array of documentary material available. Any analysis involving treatment of a hitherto unexamined aspect of the history of this period, should therefore be told in detail¹, to lessen the bewilderment for subsequent researchers. Any substantive treatment of the economic history of the colonial period, will require statistical bases, so statistical material has been presented in full, even when its connection with the main theme has been tenuous.

Party and personal antagonisms were not only a feature of the history of the first thirty or so years as covered within this work, but have continued even into present writings on this period. To obviate criticism of distortion by quotation out of context, or by misinterpretation of documentary evidence, resort has sometimes been made to quoting at length from original documents, rather than paraphrasing or curtailing the quotation. Individual personalities played a more significant role during early colonial days than is sometimes accredited, and the quotations presented often show not only their personal opinions and views, but more significantly, provide an insight into their personalities. Quotations from original sources have therefore been utilized for purposes of exactness, and for the illustration they offer, of the characters who acted out the early days of Australia.

¹ Vide. S. J. Butlin, Foundations of the Australian Monetary System 1788-1851 (Melbourne, University Press, 1953), Preface.

INTRODUCTION

PART I