MAUREEN WILSON

OPEN FOUNDATION

HISTORY

WEDNESDAY, 7pm

"History of ~~the~~ Coal Shipping in the Port of Newcastle"

RESEARCH PROJECT BASED ON REGIONAL HISTORY:

CONTENTS INCLUDE:

TAPED INTERVIEW WITH MR.D.F. GRAY, OF GRAY & TIMMINS
TRANSCRIPT OF THE INTERVIEW
SUMMARY OF THE INTERVIEW
ESSAY.

SUMMARY OF THE INTERVIEW WITH MR.D.F. GRAY

After receiving information concerning Mr D.F. Gray's long involvement in the coal and shipping industries, I went to see him in his office to enquire if he would be interested in doing an interview with me concerning the Port of Newcastle and the coal shipping industry from the 1930s. Much to my delight he agreed to an interview, which took place on the 27 July 1988. The interview covers changes in the rail transport of coal to the Port, and the many changes which have taken place in the coal shipping industry since the 1930s. The following is a brief summary of main topics of the interview.

The interview covers Mr Gray's experiences in the coal shipping industry from 1931 when he commenced work as a Junior Clerk in the Shipping Office of Hebburn Limited through to his present day involvement as Managing Director of Gray & Timmins, 'General Colliery & Shipping Agents'. After this we discuss the major changes he has seen in the coal shipping industry and the Port since the 1930s, which begins with the coal trade.

Mr Gray explains the changes in the coal markets from the 1930s and 40s through to the present day, in which the bulk of coal produced today goes to export markets. However, as Mr Gray points out, during the 1930s and 40s most of the coal produced went to the State Railways, Power Stations Gas Companies and a smaller proportion to industries and export markets. The export markets were primarily the Fiji Sugar Mills, South African Railways and a occasional shipments to Java. According to Mr Grey the total coal production out of the Port from the 1930s has risen from approximately 3 million tonnes to in excess of 29 million tonnes per annum.

This vast increase would not have been possible without the improvements which have taken place in the rail transport of coal to the Port, and the installation of modern shiploading facilities. Mr Gray describes the phaseing out of the 10 tonne wooden hopper waggons, used by the private companies to haul and stockpile their coal in the 1930s and 40s. These were phased out with the gradual takeover of coal haulage by the State Rail Authority, and progressively replaced by its larger steel hopper waggons and longer trains.

The problem of shipping delays brought on by the coal not being at the Port in time for ship loading was eliminated by the introduction of the larger steel hoppers and longer trains. Also, the methods of stockpiling and shiploading have changed greatly since the 1930s, which is mentioned in the interview. Mr Gray describes how the old electric and hydraulic cranes used in the Basin and Steelworks Channel went out of action after the Newstan Loader was built, this was later followed by the Basin, PWCS and Kooragang Coal Loaders. The increased loading capacitity of these facilities, in conjunction with harbour deepening programs (also mentioned in the interview) have subsequently allowed for larger ships to enter and load in the Port. These developments along with greater volume mining methods have helped to establish the Port as Australia's premier coal producing port.

THE PORT OF NEWCASTLE

Newcastle's coal and shipping history dates to 1796, when coal was discovered at the cliff face near the mouth of the Hunter. The first attempt at mining by a few convicts in 1801 was aborted, but was resumed in 1804 when Governor King issued orders for Newcastle to be established as a secondary punishment site for the worst convicts.[1.] Initially 35 convicts involved in the Castle Hill uprising were sent to mine coal and cut the cedar, which during this period grew in abundance. All the coal and cedar produced by convict labour was loaded onto ships which supplied Sydney and other British Colonies with timber and fuel. The penal settlement remained until the 1820s when all the cedar had been stripped from the surrounding forests and free settlers were agitating for approval to establish farms in the region. Finally a decision was made to establish a new penal settlement in Port Macquarie, and in 1823 Newcastle became a free trading port.[2.]

These developments were followed by the a further Government decision to grant the Australian Agricultural Company a monolopy on all mining leases in NSW. The Company, through the introduction of mechanisation and skilled workers improved the working conditions in the industry, and increased employment and population growth. However, the monolopy only lasted until 1847, due to pressure put on the Government by other private companies to allow them to mine in the region. After 1847, the mining industry was open to free enterprise. The private companies began to develop more mines in the region and industry became increasingly competitive. This resulted in an increase in coal production, which is evident in the figures of 66,000 tonnes in 1850, to 362,000 tonnes in 1860.[4.] In addition, the increase in coal production resulted a coal shipping boom in the Port, which lasted until early in the 20th century.

1. 'Australian Coal Association,' Coal for the Eighties
   Sydney, 1986. p.9.
2. Robert Hughes, Fatal Shore,
   London, 198. p.p. 434-436.
3. 'Australian Coal Association,' Coal and Australia
   Sydney, 1982. p.3.
4. Ibid, p.10.

The high demand for coal in the Port dropped off after 1913, with coal shipment figures for that year at 5,330,800 tonnes.[5] However, BHP established its steel works plant at the channel in 1916, which subsequently resulted in the growth of subsiduary companies, thereby increasing employment opportunities and growth in Newcastle. Through the Company's activities in Newcastle, which currently involve 'integrated steelworks, shipping facilities, wiremill and wire ropery, special steels and railway products, tungsten carbide and mining products plants, research laboratories, collieries, refractories plants', it has become one of Australia's major bulk handling port's and industrial cities.[6]

From the 1950s there have also been many changes in the Port's shiploading facilities. The incentive for the Government and coal shippers to build better loading facilities in the Port came in 1958. The Newstan Loader installed in the Steelworks Channel highlighted the loading potential of modern ship loaders. From the 1960s three loaders have been installed in the Port in a bid to speed up loading and increase production out of the Port. The combined loading potential of these loaders will also help in ensuring that Australia remains a major competitor for the worlds growing export markets. The Basin Loader, owned by the Maritime Services Board was completed in 1967, followed by Port Waratah Coal Loader which began operating in 1976. The Basin and PWCS have a combine loading capacity of 28 million tonnes per annum. PWCS is owned by private companies, with CSR owning 32.8% making it the major share holder and operator.[7]

5. 'Port Waratah Coal Services',
   Coal from Newcastle, p.2.
6. 'Broken Hill Proprietry Limited,' All About Mining,

7. Ibid, p.3.

The Kooragang Coal Loader, the Port's most recent loader, was designed for two stages of development. Now in its first stage it has handling capacity of 15 million tonnes per annum, with the potential to be developed to handle up to 50 million tonnes as the markets increase. Mr.R. Coleman of KCL stated on 26 August 1988 that the Company is currently looking at developing the loading capacity to 19 million tonnes per annum. BHP owns 30% of the shares making it the major share holder and operator, with the MSB and private companies as the remaining joint venturers. Currently, due to modern loading facilities and harbour deepening programs, the Port of Newcastle is comparable to many of the major shipping ports of the world, and if developed to its full capacity will be able to load in excess of 80 million tonnes of coal per annum.

Harbour deepening has also contributed to increased volume shipping in the Port. As cited by Mr Gray (27 July 1988) the maximum draft allowed for a vessel to enter and fully load in the Port prior to the 1960s was 28 ft. In the 1930s and 40s the 60 milers and interstate ships had maximum load capacities of 3 or 4 thousand tonnes. Due to harbour deepening programs ship sizes have gradually increased, ranging from ships at 30,000 dwt in the 1960s, through to our present day bulk carriers. The most recent harbour deepening program (financed by the Ports coal shippers) was completed in 1983, which took the depth to 15.2 metres. This has made it possible for BHP's Iron Pacific, the worlds largest coal carrier and Australia's largest ship to enter and load in the Port. According to Mr Graham Stacey of BHP's Shipping Section (25 August 1988) the ship has left the Kooragang Coal Loader carrying a 150,000 tonnes of coal in the past. As a further indication to the size of this ship and the Port's shipping potential, it has a maximum draft of 18.42 metres, a total length of 315 metres and beam of 55 metres.

8. 'KCL and BHP', Kooragang Coal Loader.

Coal transport from the mines to the Port is also an area of change since the 1930. The railways provide the link between the mines and the Port, links which were once owned and maintained by the private mining companies. However, today the State Rail Authority has a monolopy on the transport of coal. According to Mr Gary Jones (Northern Coal and Shipping Manager for the SRA, 25 August 1988) the private lines, steam engines and 10 wooden hopper waggons were gradually phased with Railway Commissions (now the SRA) takeover during the 1950s. By 1976 these had been replaced with diesel engines and larger steel hopper waggons, which resulted in the increased train sizes. The 36 waggon, or 350 tonne train loads of the 1930s have increased to present day lengths of 42, 63 and 84 waggons, using mostly 75 tonne steel hoppers.

These changes have all led to dramatic increases in the coal and shipping industry. Currently the Port of Newcastle is Australia's premier coal producing port. The total exports through the Port for the year 1986-87 at 29,152,000.000 tonnes, followed by Hay Point in Queensland with 17,542,000.000 tonnes.[9.] Of Australia's total coal production 70% is used for export to Japan, Europe and many of the worlds growing markets. Projections for the year 2000 estimate that Australia's exports will have increased to 200 million tonnes per annum.[10.] With further developments in the Ports ship loading facilities, along with the increased development of open cut and mini wall mining in the region the Port of Newcastle will undoubtably remain one of Australia's major outlets for black coal.

9. Joint Coal Board, Black Coal in Australia, 1986-87, A Statistical Year Book, Sydney, 1988. p.p. 103-110.
10. Australian Coal Association, Living with Coal, Sydney, 1986. p.20.

Coal fueled the Industrial Revolution and continues to play a vital role in the development of modern society, both as a major energy source and as a base product for steel production and many other manufacturing industries. The living standards of Australians and many of worlds people would be significantly reduced without coal to feed their vital industries. The demand for coal increases with the development and growth in the worlds population, which has allowed Australia with its rich coal reserves to become the worlds largest exporter of seaborne coal, in which the Port of Newcastle has become a major outlet.

BIBLIOGRAPHY

Books:

Goold Wilfred James, The "Birt of Newcastle"
Published by Newcastle & Hunter District Historical Society.

Grover John, Struggle for Cargo,
What cargo cultists are doing to Australia
South Australia, 1983.

Hughes Robert, Fatal Shore,
London, 1987.

Joint Coal Board, Black Coal in Australia, 1986-87,
A Statistical Year Book, Sydney, 1988.

Articles:

'Australian Coal Association', Coal for the Eighties,
Sydney, 1986.

'Australian Coal Association,' Coal and Australia.
Sydney, 1982.

'Broken Hill Propriety Limited', All About Mining.

'KCL and BHP,' Kooragang Coal Loader.

'Port Waratah Coal Services,' Coal from Newcastle.

Transcript

This is Maureen Wilson interviewing Mr D.F. Grey of Grey and Timmins in his Office at 69 Hunter Street Newcastle, on the 27th July, 1988 concerning Shipping in the Port of Newcastle since the 1930's.

(Question) Right, Mr Grey would you like to tell us a little bit about yourself?

(Answer) Yes, I was born at Hamilton in 1915, my early recollections were moving from Murray Street in the main section of Hamilton down to Gordon Avenue and then at the normal five years of age I went to Hamilton Public School (up near Gregson Park) and fired on to Hamilton Intermediate High School. I left school after the Intermediate Certificate at the end of 1930 and commenced work in January 1931, as General Clerk in the Shipping Office of Hebburn limited which was jointly own Hubbart Parker Limited and the Australian Agricultural Co., commonly known as the A.A. Co.

I progressed through that Company's Accounts Section to become Accountant. And then into the Coal Section advancing to Traffic Manager. Then I advanced to Shipping Manager in charge of the Newcastle Office.

Later appointed Marketing manager for the Hebburn, Elrington and Metropolitan Collieries.

In the 1940's Huddart Parker Ltd purchased A.A. Company's interest in the mines, due to the latter company being unwilling to provide funds required for mechanisation of the mining operations.

In 1961 a take-over of Huddart Parker by Boral Ltd in conjunction with McIlwraith McEacharn Ltd was effected with Boral taking the mines and real estate and McIlwraiths taking the ships.

In April 1967 Boral sold the Metropolitan mine to BHP Co. Ltd and the Hebburn No.2 mine to J & A Brown & Abermain Seaham Group. Hebburn No.1 and Elrington having previously ceased operations. I was then transferred to the Newcastle Office of Coal & Allied Sales Pty. Ltd.

Then in July 1968 I accepted the position of General Manager for Canwan Coals Pty. Ltd., a subsidiary of Gollin Co. Ltd. and fore-runner of Port Waratah Coal Services Ltd.

In January 1970 I was transferred as Manager of Interstate Steamships Pty. Ltd. and Maitland Main Collieries Pty. Ltd. principally as 'watch dog' over Gollin's financial interest in those companies.

In September 1972 Interstate Steamships and Maitland Main went into liquidation and together with Mr W.J. Timmins we went into partnership until December 1972, when the firm of Gray & timmins Pty Ltd. was incorporated as 'General Colliery & Shipping Agents'. The association with Mr. Timmins continued until his retirment on 31st August, 1987.

(Question) Would you like to tell us a little bit about some of the changes in the Coal Trade from the 1930's.

(Answer) Going back to the early 1930's and the changes in the Coal Trade since. In the earlier 30's the main buyers of the coal from the South Maitland fields were the State Railways the power stations and the principal gas Co's, and that was supplimented by the industrial users in the various States. The coal was brought by rail from the mines to Newcastle in the small ten tonne hopper waggons, in train loads of approximately 300 tonnes.

(Question) How was the coal loader onto the trains during that time from the mines?

(Answer) The coal was loaded at the mine from what was known as the coal screens, which was in effect a sizing screen, cutting the coal into various sizes required for the various trades. And it was just a straight drop into the waggon until it was full and it was just gravitated along the line to the next station for the next waggon to be loaded. And as I stated they were in trains of approximately 36 waggons, and total load of coal of 300 to 350 tonnes.

(Question) That was 300 tonnes for the whole train?

(Answer) That was full train load of 300 tonnes.

(Question) What sort of train loads do they have now?

(Answer) The progress through the different stages of the size of trains, varied with the introduction of the larger waggons owned by the State Rail Authority, and the size of the trains gradually increased. They are now in three standard sizes of 3000 tonnes, 4500 tonnes and 6000 tonnes.

(Question) This is per waggon?

(Answer) No this is per train load.

(Mr Gray) And the size of trains now, principally made up of 75 tonne carrying capacity waggons are 42's 63's and 84's. The 84 waggon train covering approximately one kilometer in length.

(Question) What were the figures for coal out of the Port from the 1930's - 40's?

(Answer) From memory I would say about 3 to 4 million tonnes, which included all coal, that's interstate and overseas, and that has now developed to approximately 29 million tonnes for the last year.

(Question) Was it all hauled in the 60 milers was it, were they the only ships.

(Answer) No. In the 30's the coal for the Sydney trade and the Sydney Gas Co's were in the 60 milers, which ranged from a few hundred tonnes capacity to about 3,000 tonnes maximum. And the Interstate Trade was carried in the main in ships up to 4,000 carrying capacity.

(Question) What about export?

(Answer) Today we get ships, which are now are in three comparative sizes. What is termed the handy size from 35 to 40 thousand tonnes lifting capacity, to the panamax, which is around 60 to 65 thousand tonnes, and cape size and very large bulkers which can vary from 80 to 120 thousand tonnes.

(Question) In the 1930's and 40's, what were the types of coal used mostly?

(Answer) In the early 40's and the late 30's, the main customer for the NSW coal was the NSW Government Railways, and they took a coal sized from about two inches to six inch top size. And the next customer would have been the power stations and the industries and they took the miners two inch size fraction.

(Question) Was it all steaming coal?

(Answer) No. It was all the same product, but it was classified as gas coal if it went to the gas companies, it was locomotive coal if it went to railways and it was steaming coal for general industries.

(Question) But it was all the same coal?

(Answer) 'Laughs' But in effect, it was all the same product from the same mines.

(Question) Is there any difference in the quality of coal that was being supplied then, as opposed to what's supplied now.

(Answer) Yes, there is a great variation. In the 30's and 40's when most of the coal came from the South Maitland field, the larger fraction (which was termed screened coal) usually ran at about 5 to 6 per cent ash and the smaller fraction (which was termed smalls) ran about 10 to 12 per cent ash. Today with the introduction of open cut mining and the variation in the type of consumer equipment, the general run now in sizing is 2 inch miners and the ash ranges from about 15 per cent to 20 per cent, with a very small fraction going in coking coal at around 8 to 9 per cent ash.

(Question) That's a better quality coal is it, the quality that we were getting then.

(Answer) The quality in the earlier days was much better, but the improvements in the burning plants has made it possible to burn the higher ash coals.

(Questiond) What changes has there been in shipping of coal since the 1930's or the 60 milers.

(Answer) The change in the shipping of coal has evolved with the transfer from the old electric cranes on the western side of the carrington basin, the hydraulic cranes on the eastern side of the basin and the hydraulic cranes up the steelworks channel. These cranes went out of action when firstly, the Newstan Loader was installed. It was a fixed head loader, and loaded at the rate of about 300 tonnes per hour. The next development from the Newstan Loader was the Basin Coal Loader and when this appliance came into service all the cranes were scrapped and the coal was loaded by belt conveyors from stockpiles. Following that we had the Port Waratah Coal Services Loader come into operation, at a time space of approximately 10 years from the opening of the Basin Loader. And that, with the increase in the export trade developed to the opening of the Kooragang Loader, a further ten years from the opening Port Waratah Coal Loader, and they are the present loading facilities in the Port.

(Question) How long did it take to load a ship (say a 60 miler in the 1930's - 40's), how long did it take to get a ship in, load it and out.

(Answer) Usually with a 60 miler it would take approximately 12 hours. With the other size vessels they would load at the electric trains in about 48 hours. The load rates at different appliances have varied from 3,000 tonnes per day at the electric trains, too now a possibility of 5,000 tonnes per hour with two loader heads at Port Waratah Coal Services and approximately 6,000 tonnes per hour from one loader head at Kooragang Coal Loader.

(Question) Could you tell us how the marketing of coal has changed since the 1930's.

(Answer) Yes. In the 1930's and 1940's the bulk of the trades were for the domestic market and that gradually changed to the present day most coal being for export, other than what is required for the power stations. In the 30's and 40's the export trade was relatively small, being in the main for the Fiji Sugar Mills, the South African Railways and the occasional shippments to Java. These coals were carried the Company's own vessels. CSR carried the coal the Fiji, the South African Railways ships carried the coal to South Africa and the private Union Co. carried the coal to Java for the Gas Co. After the second World War the Overseas Trade gradually began with shippments to the present day tonnages to Japan, Korea, Taiwan, Malaysia and European Ports.

(Question) So it's mostly export trade of coal now.

(Answer) Apart from the coal to the Power Stations, which in main is produced by Tide Mines too those power stations, the bulk of the coal trade is now in export.

(Question) What sort of transport do you remember Mr Gray, during 30's and 40's.

(Answer) I can go back prior to the 30's when the steam trams were running on about six or seven direct routes in the Newcastle area, for the longest distance being to West Wallsend and Spears Point. The steam trams were then followed by the electric trams and the main terminus was at Parnell Place where they had storage sheds. Later they transferred the storage sheds to the Gordon Avenue site, which is still in use at Hamilton. Private buses were on the district runs and they were eventually superseded by the Government operated buses. Whilst during the period that I was Pay Master at the Mines, we even made use of a Handsome Cab, which we used to transport the Colliery pays from the Bank premises in Hunter Street, by varying circuits, depending on the time of the year, and what police might have been on duty, and by warnings that we should change our course. We transported the pays to the Newcastle Railway Station, where they were put on board the Cessnock train in conjunction with the pays from J & A Brown and Abbermain Seamxxxx . The Hebburn pays were placed in one end of the carriage and the escort faced the door at the end of the carriage, J & A Browns pays was placed at the other end of the carriage and their escort faced the door at the other end of the carriage. By this means both doors were under observation, and I don't know what would have happened had there ever been a raid.

(Comment) Run for it!

(Question) What sort of hours did you work?

(Answer) Where I commenced the work time was 48 hours a week, spread over five days, 9am to 6pm and 9am till 1 oclock officially on Saturdays, but when Saturday's work was done it was case of go for your life.

(Question) What about the miners?

(Answer) The miners used to in those days work on an eleven day fortnight, they worked five days a week and one Saturday out of two. The Saturday that they worked was known as back Saturday and the Saturday that they did not work was known as pay Saturday. And the miners in those days would come down by train from the Cessnock and Kurrie coal fields to spend their money. It was in the days before Supermarkets made their appearance.

(Question) Did everyone come from country towns to do their shopping?

(Answer) That is correct, Newcastle was the main shopping area of the district.

(Question) What sort of times? Did they have night shopping?

(Answer) There was only late night shopping night and that was Friday until 9pm. The Newcastle City used to be crowded in those days in a Friday evening, and similarly, the main streets of the suburban areas.

(Question) What sort of changes have there been in the Harbour depth since the 1930's.

(Answer) In the 1930's the maximum draft for a loaded vessel was about 28 feet, and that remained until the early 1960's, when the draft was 7 metres, followed in the 1970's with an approximate draft of 11 metres, and recently increasing to 15.2 metres. This has allowed for vessel sizes to increase from approximately 30,000 tonnes dwt in the 1960's to 150,000 tonnes or greater, but only loaded to the maximum allowed by the depth of the channel plus the available tide.

End of interview.

Right, I think we've covered everything Mr Gray, thanks very much for your interview. Is there anything else?

(Answer) It's been a pleasure.