

J.H. Kelly Revisited

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Historians are a capricious lot. Schools of thought wax and wane, sympathies shift and slide, and yesterday's dogma is today excused as naivety. And so it is with assessments of the Northern Territory pastoral industry. For the past several decades Northern Territory cattlemen have been intensely criticised by academics, the media and commentators for a variety of reasons, most notably their alleged mistreatment of Aboriginal employees and dependants. While some of this criticism has been warranted there is now very clear evidence that Territory cattlemen have also been subjected to intemperate, ill-informed and inaccurate charges. Frank Stevens, for instance, who carried out extensive field work on Territory stations before writing his acclaimed work *Aborigines in the Northern Territory Cattle Industry*, is demonstrably guilty of highly selective use of evidence, misrepresentation and naivety. [\[1\]](#) Agricultural economist J. H. Kelly is equally culpable.

For over three decades Kelly, who was a World War One serviceman and War Service Land Settlement farmer, strongly influenced the Commonwealth Government, academics, the media and public opinion generally. Briefly, between the late 1940s and 1960 Kelly undertook extensive field research throughout northern Australia on behalf of the Bureau of Agricultural Economics, and wrote a number of monographs and articles on the northern cattle industry. Subsequently:

... he commenced work on a major study of the beef cattle industry in Northern Australia which was carried out with an award granted by the Reserve Bank of Australia. During the 10 years of the grant Kelly made more field work trips to the North, and in the latter period, 1967 - 1970, operated from a base at the Australian National University. The 1960s was the decade when Kelly began what could be termed his public career. He wrote articles and gave discussion papers in order to alert the Australian people to the problems within, and generated by, the beef cattle industry in the North, particularly in the Territory. [\[2\]](#)

In essence, Kelly argued in numerous publications and public venues that up to the early 1960s at least the lack of fences and watering points, inadequate roads and transport, poor management practices and so forth combined to produce an industry still running on the lines established a century earlier. Kelly also believed Government leadership was lacking and accused the authorities of being:

... extraordinarily generous to leaseholders of the cattle country. Rentals were microscopically low; there were no worthwhile structural improvements and animal husbandry conditions, and practically no restrictions on overstocking or overgrazing, to the detriment of the pastoral resources. [\[3\]](#)

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As a result of these failings the Territory cattle industry was performing at depressingly poor levels. Indeed, in the nine years from 1964 to 1973 the Territory herd declined from 13.2 percent of the northern Australian herd to 11.2 percent. [4] Accordingly, Kelly repeatedly outlined the commonsense steps necessary to overcome these crucial shortcomings, including the provision of adequate water supplies and fencing, the eradication of feral animals, the provision of sufficient stud stock, rotational grazing programmes to preserve and regenerate the rangelands, and the introduction of programmes to eliminate pleuropneumonia and other major diseases. He also outlined the necessity for integrated transport facilities, better marketing arrangements, adequate credit and so on. To this stage Kelly's criticisms and recommendations are commonsense and entirely unobjectionable, and it appears reasonable that Territory historian Lyn Riddett states in her critical review of Kelly's contribution:

Kelly was always careful to ensure that agricultural investment was effective... [and his] written works and co-incidentally his advice to Government, were strongly governed by economic considerations...

He was a reformer, a highly energetic, dedicated man who held a strong belief in regional planning, [and] Government responsibility for primary industry. He was a man given to schemes, plans, proposals; practical in all that he undertook. [5]

Kelly's achilles heel, however, was his ardent, almost obsessive wish for considerably closer settlement. In the mid-1960s absentee landholders effectively held more than two-thirds of the country in the remote regions [6] and Kelly believed passionately that such lessees holding large areas were rapacious in their quest for maximal profit. By contrast, he claimed that owner-managers holding small to medium-sized properties not only saw the necessity for husbanding their land but also consistently re-invested a high proportion of gross earnings on improvements, and consequently were inherently more efficient. Not surprisingly, he repeatedly and intemperately attacked the Commonwealth Government for failing to amend the Territory land ordinances to control the size of holdings. In 1966 and 1973, for example, he flayed the Coalition Government, claiming:

... the reputations of the Menzies - Holt - Gorton - McMahon Ministries have been tarnished with (at least) a degree of moral turpitude in the mal-administration of Territory cattle lands.

Sixteen years of the Menzies Government administration has witnessed a supine yielding [to]... the selfish interests of oversea and Australian absentee northern landholders; a half-hearted, ineffective beef-road programme, a selling out of rich mineral resources to oversea and Australian monopolists and the creation of a toothless, powerless Northern Development Division. [7]

While absentee owners were clearly an anathema to Kelly, he particularly slated Bovril Australia. His most vitriolic condemnation, however, was reserved for Vestey's, whom he rightly accused of receiving preferential treatment in lease renewals and developmental requirements, [8] and wrongly charged with almost complete failure to develop their properties. In 1966, for instance, he wrote:

... it is important here to indicate the evil influence this powerful interest [Vestey's] was able to exert on Commonwealth Governments, and the destructive consequences which inevitably ensued from their ruthless misuse and neglect of their leaseholds, the cost of restoration of which is now being borne by the Australian taxpayer. [9]

In short, he desired a radical revision of land ordinances so that the large properties controlled by absentee leaseholders could be broken into smaller, owner operated

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stations, and outlined this notion at every opportunity in his writings, lectures and interviews, and while serving on Government boards. [10] To some extent he was successful. The land ordinances introduced in the late 1940s and early 1950s were intended to reduce the size of large holdings and also stipulated specific developmental requirements. Moreover, during the 1960s and 1970s his incessant promotion of closer settlement played a role in the resumption and breaking-up of a number of larger properties. Subsequently, Kelly's unceasing advocacy of closer settlement appears to have become something of an article of faith amongst many like-minded historians and commentators. Riddett, for instance, states:

VRD and the other very large stations were run by managers employed by absentee leaseholders. Family, owner-manager, stations maintained a steady, if slow, growth; the other stations were often spectacular failures. [11]

Overall, while Kelly's research output was impressive and undoubtedly many of his recommendations were correct, due to powerful vested interests, Governmental inaction and changing economic circumstances, he did not achieve the results he worked so hard to achieve. Nevertheless, Riddett believes he cannot be seen as a failure. Instead, she argues:

An assessment of Kelly's contribution to the pastoral industry in the North cannot... be based on a simple summary of what actions and policies directly reflect his ideas. His influence has permeated thinking and writing about the North since his early reports became available in the 1950s...

It is reasonable to assume that had there been no Jack Kelly many of the questions regarding the cattle industry in the North would never have been raised, or the issues having been raised, would have faded. Without Kelly, many of the myths about the North would remain substantially unchallenged. [12]

Yet despite Riddett's glowing praise and Kelly's undoubted influence, there is clear evidence that a significant proportion of his prolific research and writing on the northern beef cattle industry - that pertaining to the purported desirability of closer settlement - owes more to prejudice and ideological assumptions than to applied research. Certainly many Territory cattlemen and the Commonwealth Government did not agree with Kelly on this point. In the foreword to Kelly's groundbreaking 1952 work, for instance, Commerce and Agriculture Minister McEwen took the unusual step of qualifying the findings by noting:

The report is now published by the Bureau [of Agricultural Economics] without amendment, and is not necessarily endorsed by the Bureau itself or the Government as to the conclusions which are expressed. [13]

The incensed Northern Territory Pastoral Lessee's Association (NTPLA) also rejected Kelly's findings and in a letter to the Australian Meat Board, which sponsored his 1952 study, stated:

This Association considers that the Report has a strong partisan bias and that it suggests that Mr Kelly brought to his investigations convictions which he regarded as unchallengeable. It appears that he has made no attempt to test these hypotheses by considering them in relation to evidence which could have been obtained in the way in which the notable Northern Territory Commission known as the 'Payne/Fletcher Commission of 1937' obtained its evidence. [14]

Subsequently, in reference to his 1973 article, "Northern Territory Land Holdings," one

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NTPLA member - presumably the President - directed:

I want a critical examination made of J. H. Kelly's address on N.T. LAND HOLDINGS to discover whether we can prove that it is based on inaccuracy or misrepresentation. [\[15\]](#)

While on their own such criticisms are of little account, the results of this NTPLA sponsored study, which have lain undisturbed in the NTPLA's files for over a quarter of a century, in conjunction with a close study of all Kelly's writings, are informative. Unquestionably the findings expose "partisan bias," and an incapacity or refusal to accept findings contrary to his beliefs concerning closer settlement. In turn, this places Kelly's followers in a rather invidious position. Accordingly, this article examines in some detail the major failings of Kelly's argument for closer settlement, as well as some critical overall weaknesses.

Above all else, Kelly is guilty of intensely selective use of evidence. He repeatedly claimed, for example, that the seemingly vastly superior rate of development in the Alice Springs region relative to the Victoria River district vindicated his assertion that owner-managers on small to medium properties were far more efficient than absentee owners of large properties. Yet ironically, on many occasions he admitted that the central Australian pastoralists' proximity to the railway line and the South Australian markets was the crucial difference.

Whilst the extension of the Darwin railway south to Birdum was of little benefit to the [northern] grazing industry, the extension north to Alice Springs had a profound effect on the development of Central Australia. Previously, cattle had to be walked south to Oodnadatta and prices were low because of the poor condition of the cattle after a long walk over bad land...

[For example]... the successful development of Mt Riddock in common with other stations in the Alice Springs District, was made possible by the higher returns obtained for cattle as a result of the construction of the railway, which opened a profitable outlet for good cattle to the Adelaide market. [\[16\]](#)

Clearly, what happened here was comparable to the ongoing difference in profitability between the Tablelands, which were close to Queensland markets, and the far distant Victoria River district.

Furthermore, in pointing to the 767 percent increase in cattle numbers in the Alice Springs region between 1932 and 1971, relative to the 1 percent increase in the Victoria River district, [\[17\]](#) Kelly repeatedly stated that the reason was due to the differing management practices. What Kelly failed to point out is that the Alice Springs region was starting from an exceedingly low base number and that even small numeric increases would be reflected in very large percentage increases. Indeed, he admitted that the 1926 to 1929 drought in central Australia was catastrophic and that "possibly 90% of the cattle were wiped out." [\[18\]](#) Moreover, and this is perhaps the worst example of Kelly's dishonesty, the boundaries of the four regions in the Territory were altered on July 1st, 1970, and the Alice Springs district suddenly (and illegitimately) claimed 58,000 head of cattle, primarily from the Barkly district. [\[19\]](#)

Studies undertaken in the east Kimberleys at much the same time by D. Treloar of the University of Western Australia's Economics Department also refute Kelly's assertion regarding the failure of big absentee companies to develop their properties. Treloar examined the investment patterns of the major absentee and locally based companies, including Vestey's, Hookers, Peel River and the Emanuel interests, as well as owner-managers, and concluded:

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... the investment behaviour of owner-managers, absentee owners, companies, and partnerships are substantially similar on the average and extreme cases occur in all classes.

Hired managers are almost unanimous in their pleas for more investment in fences and water. One can too easily gain the impression that absentee owners are a stingy lot. But if the owner-managers are any guide, the hired managers would be less inclined to invest if the stations were their sole source of income...

In the case of the owner-managers, the money is being invested in town houses, hotels and shares. That is, if there is any left over from a very considerable increase in the standard of living, including sending children down to public schools, putting down floors instead of stamped earth, giving the wife a holiday, and the like. [20]

Similarly, through regression analysis of the records dating back over 37 years from five stations in the Kimberleys and the Victoria River district, Treloar determined that a number of the factors which Kelly claimed were particularly significant in determining turnoff, including "the amount invested in fences, water, etc," were not significant and that environmental factors were the most important.

The turnoff in any one year was largely dependent upon the number of calves branded six years before. Intervening factors significantly reducing the turnoff were the rainfall in September and October both one year and three years previously, the length of the dry season when the beasts were two years old, and the rainfall in the wet season prior to the sale. The annual rainfall two years prior to sale had a significant beneficial effect. Altogether, 82 per cent of the variation in turnoff was accounted for by these factors. [21]

While these findings may or may not be correct, the point remains that they were potentially so ruinous to Kelly's work that he should have examined them closely, or at least acknowledged them.

In selecting Rosewood station, which was superbly managed by the owner J. A. Kilfoyle, as the exemplar of all he claimed, Kelly leaves himself wide open to accusations of a biased sample. Undoubtedly Kilfoyle was an outstanding, if not a visionary cattleman, [22] but Kelly makes few references to other owner-managers. Indeed, in reviewing *Struggle for the North* for the *Bulletin*, Bruce Davidson noted that:

... the reader is left with the feeling that proof that resident owners would be more efficient than the large pastoral companies is lacking. Some 30 percent of the land is at present operated by resident holders, yet no attempt is made to compare the productivity of this area with that of the absentee holders. Instead, Mr Kelly contents himself with comparing one improved station operated by a resident owner with the vast holdings of the pastoral companies. [23]

Clearly, Kelly has assiduously glossed over the large, well-run, successful properties owned by Australian and overseas companies, such as Lake Nash, Alexandria, Anthony's Lagoon, Alroy and Brunette Downs. Indeed, the 4,730 square mile property Brunette Downs exemplified all that Kelly tried to deny. In 1952, for instance, it had constructed 41 dams and earth tanks, and 38 bores, and had completely boundary-fenced the property and subdivided it into 26 paddocks. Furthermore, it had installed four large sets of cattle yards, 36 sets of branding yards, fireploughed 550 miles of roads, and was running approximately 45,000 head of well-bred and well handled cattle. [24]

In this light it is particularly interesting that, in contradiction to almost all that Kelly

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believed in and most ardently argued for, and his supporters still claim, the Northern Territory administration neither valued nor wanted small, undercapitalised landholders, certainly not in the northern regions. Territory Lands Director Barclay, for instance, noted in 1954 that:

We have 30 or 40 companies holding leases in the N. T. I regard that as a very healthy sign... The point is that the Government wants to keep the competition healthy and it wants to keep a reasonable number of companies going and if it does not put some limit somewhere [on landholdings], we will find one company seizing all the opportunities it can to swallow other companies. It is only an attempt to prevent that.

[Nevertheless] Since I have come here I have persistently increased the improvement conditions of every pastoral block which has been leased. We have reached quite an advanced stage considering the general position of the Northern Territory in the pastoral world. That means that to satisfy these conditions the applicant has got to produce evidence that he can command a certain amount of capital. That cuts out the little man without the experience. I have set my face against the small man who wastes years on the land. [\[25\]](#)

Indeed this question requires a thorough examination. Certainly it is instructive to study the results of questionnaires on land use sent by the NTPLA to eight members in early 1954. In an explanatory covering letter attached to the questionnaires, the secretary noted:

In our conferences with the Minister of Territories re leases, it has repeatedly been stated that there are a very large number of applicants for leases offered in the Territory, with adequate capital to develop and capacity to do so. The executive directed me at its last meeting to examine the lists of leases granted since 1946, with the object of obtaining from members confidential reports on the progress which has been made by new lessees, the extent to which they have succeeded in carrying out their stocking improvements and other undertakings and any other relevant particulars. If it is practicable I should also like to have for comparison some information on the production of the lease when occupied by its former owner. [\[26\]](#)

The information supplied makes interesting reading. Although the findings were somewhat ambiguous, it can be said that of a selection of eight leases offered, two of the lessees were successfully complying with their conditions, one was complying with limited success and the remaining five had either sold, abandoned or not taken up their leases. That is, these purportedly superior smaller-scale pastoralists had achieved a success rate of approximately one-third. Clearly the situation is far less simple than Kelly, Riddett and others claim.

Finally, Kelly makes repeated reference to the quality of Rosewood's cattle and the percentage that dressed-out at export quality at the Wyndham works. By contrast, he notes how badly cattle from Bovril Australia's immense property Victoria River Downs fared, and attributes this almost entirely to poor quality stock arising from inadequate management. There is no argument that Bovril's herd was not as good as it could have been. Nevertheless, Victoria River Downs' cattle had to travel almost three times as far as Rosewood's to the Wyndham works, over a rough, stony and poorly watered stock route, and they walked much of their condition off. Thus the question is not as clearcut as Kelly would have it and to understand the problem better it is useful to look at the results of a trial undertaken by Bovril in the early 1930s.

In 1932, in an attempt to overcome the approximately 100 lb loss of condition suffered by their stock while walking the 300 miles to Wyndham, Bovril Australia undertook an interesting experiment. Firstly, they drove several hundred bullocks the 240 miles from Nicholson station to their holding property Ascot, near Wyndham. Here 67 head were

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cut out and agisted for 11 months, while the remainder were taken on to Wyndham and immediately slaughtered. The difference in returns are extremely interesting, for the latter group returned just under £2 per head, whereas the agisted group brought over £4/1/- each. Furthermore, whereas 29.76 percent of the first group were passed for freezing, 82.07 percent of the latter group were passed. There are two factors to consider here. Firstly, that the 67 head dropped off at Ascot for agistment were initially in poorer condition than the first group slaughtered. [\[27\]](#)

Perhaps more importantly, in 1935 politician E. J. Harrison claimed that under normal conditions 75 percent of Rosewood's cattle were accepted for freezing compared with Victoria River Downs' 25 percent. Yet under the regime outlined above Victoria River Downs' cattle actually outperformed Rosewood's by approximately seven percent. [\[28\]](#) Clearly these results demonstrate that the majority of the difference between Bovril's killing success and Rosewood's can be attributed to the geographic location of the two properties rather than management regimes. This rather elementary finding appears to have eluded Kelly and many others.

Selective use of evidence aside, Kelly's work also suffered from academic, intellectual and practical shortcomings. Although Riddett claims Kelly's work was "... well informed, being based on sound practical knowledge of primary industry's needs," [\[29\]](#) there is no evidence that he had any practical experience in north Australia. According to a report commissioned by the NTPLA:

Kelly was a soldier settler in the Murrumbidgee Irrigation area after the first World War. He was chiefly interested in rice growing...

He has no practical experience of the cattle industry... [but states] 'I picked my knowledge up as I went along in North Australia.' [\[30\]](#)

Furthermore, the NTPLA's source noted Kelly was not a trained economist:

In his own words, he is a man 'without qualifications.' 'I was educated to leaving certificate standard and then developed as a practical economist as opposed to a theoretical economist,' he says of himself. [\[31\]](#)

As a result, although his work was as stated, commonsensical, it never rose above that level. Indeed, Kelly does not appear to have been capable of sophisticated statistical analyses, such as those undertaken by Treloar.

Indeed, his shortcomings are frequently manifested in non sequiturs. Kelly clearly failed to understand that specific factors do not necessarily lead to particular outcomes. For instance (and in this example Kelly also betrays both his ideological bias and muddled thinking), he claimed:

If production is to be increased, and the productivity of the land is to be preserved and improved in the national interest, it follows that future land utilities and settlement policies must be directed to the encouragement of resident holders who will rear their families on their holdings and thus help populate the country. [\[32\]](#)

Presumably the intensely professional, often tertiary educated managers of numerous large Territory and Queensland company holdings would take issue with Kelly over this.

Similarly, Kelly frequently overlooked weaknesses in his argument. Perhaps the best example is his claim that:

It is open to doubt whether a 50,000 head intensive cattle enterprise...

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could be effectively operated under direction from London, New York, or a city in Texas, with an Australian head office in Sydney or Brisbane, a branch office in Darwin, and supervised by a travelling pastoral superintendent also concerned with the management of other properties. [33]

Yet throughout Australia's history overseas-owned companies have effectively managed a very broad range of businesses working through just such a system of devolution of authority.

Finally, Kelly's work abounds with contradictions which, while footling in themselves, are indicative of his shaky hold on his material. The most telling example is his frequent assertion that almost no manager could effectively handle more than 10,000 head of cattle, particularly in the rugged Victoria River district. [34] Yet on several occasions Kelly lauded Kilfoyle for having developed Rosewood to the extent that he could run approximately 26,000 head. Furthermore, in *Beef in Northern Australia* he argued that overgrazing had caused a decline in carrying capacity since 1911 and whereas at that time the Territory herd was dispersed at four head per square mile, in 1969 approximately 1.2 million head were dispersed over 289,400 square miles at "four to the square mile." [35]

Overall, although Riddett would have it that Kelly "... went about the initial steps of his work with no prejudice...", [36] it is clear that his findings on the question of closer settlement were dominated by ideology and prejudice. Certainly there can be little argument, as the NTPLA complained, that he "... brought to his investigations convictions which he regarded as unchallengeable." Accordingly, it is intensely ironic that the introduction of mechanisation, aerial mustering and the very considerable professionalism brought to bear by large investment companies such as the AMP Society eventually caused Kelly to question his fundamental belief in the superiority of closer settlement and owner-managers. In 1971, for example, he spoke on his work at a Rural Press Club luncheon and in response to questions admitted:

At different times in my last book and in previous books I have referred to the question of overseas absentees landholding large areas in Northern Australia. To put the record quite straight what I have said is by no means all embracing...

I would say this, that the amount of capital injected into Brunette Downs [by the American firm, King Ranch] on top of the sound improvement which had taken place there is really phenomenal. I would think that there is no better improved property of its size in Northern Australia or, for the matter of that, in Australia and, perhaps not many of its kind in the U. S. A. So I pay high tribute to them... [37]

Unfortunately, in the interim many Territorians and non-Territorians gained distorted and inaccurate impressions of the industry. As a result it can be said that instead of successfully challenging "... many of the myths about the North," [38] Kelly has been responsible for a number of myths concerning the Territory cattle industry, and a healthy and pervasive school of "myth-makers."

Endnotes.

[1] This question has been closely examined by the author in a monograph on the Northern Territory pastoral industry, which will be published NTU Press in 2001 as *Distance, Drought and Dispossession*.

- [2] L. A. Riddett, 'J. H. Kelly: A Critical Review of his Contribution to the Beef Cattle Industry in Northern Australia Particularly the Northern Territory.' Unpublished paper, 1982, NTU SC 338.17621309942 KELL RIDD, p 13.
- [3] J. H. Kelly, *Struggle for the North*, Australasian Book Society; Sydney, 1966, p 35.
- [4] Kelly, 'Northern Territory Land Holdings.' op cit, p 4. For the NTPLA's reply, see 'Beef Cattle Population Changes in Australia,' vol C1/30.
- [5] Riddett, 'J. H. Kelly,' op cit, pp 2-3 and p 10.
- [6] Apart from the Alice Springs area. It should be noted that Kelly does not claim absentee owners held two-thirds of the country, but rather two-thirds of the 'cattle carrying capacity.' See *Struggle for the North*, op cit, p 30.
- [7] J. H. Kelly, 'Northern Territory Land Holdings.' Association for the Retention of Australian Ownership, Bankstown, 12-13 October, 1973, p 23 and *Struggle for the North*, op cit, p 19.
- [8] See Kelly, *Beef in Northern Australia*, Australian National University Press: Canberra, 1971, pp 33-42.
- [9] Kelly, *Struggle for the North*, op cit, pp 155. In particular, Kelly referred to Vestey's severe overgrazing of their properties in the upper Ord River basin. See 'Our Cattle Land is Wasting Away.' *The Australian*, 5-8-1964.
- [10] See Riddett, 'J. H. Kelly,' op cit, pp 11-12 for details of Kelly's proposed 'minimum economic unit,' the notion which underlay his scheme for radically closer settlement. For further details of Kelly's approach, see *Report on the Beef Cattle Industry of Northern Australia*. Bureau of Agricultural Economics; Canberra, 1952, pp 95-96, pp 113-14 and pp 128-29. See also *Struggle for the North*, op cit, pp 54-56.
- [11] L. Riddett, unpublished Honours thesis, Murdoch University, p 18.
- [12] Riddett, 'J. H. Kelly,' op cit, pp 16-17.
- [13] Kelly, *Report on the Beef Cattle Industry...*, op cit.
- [14] NTPLA to Australian Meat Board, vol D3/3A, 2-3-1953, p 1. The NTPLA was considerably more critical in a letter to the Prime Minister, vol D3/3A, 23-12-1952, p 1.
- [15] 'Notes on J. H. Kelly's Address, 7th December, 1973.' NTPLA, vol C1/30.
- [16] Kelly, *Report on the Beef Cattle Industry...*, op cit, pp 38-39. See also *Beef in Northern Australia*, op cit, p 3.
- [17] 'BAE Statistical Handbook of the Meat Industry,' cited in 'The Cattle Population of the Northern Territory,' NTPLA, vol C1/30, pp 2-3.
- [18] Kelly, *Report on the Beef Cattle Industry...*, op cit, pp 38-39.
- [19] This figure is complicated by an overall Territory loss of approximately 34,000

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head for the year and it is useful to examine the paper, 'Beef Cattle Population...', op cit.

[20] D. Treloar, 'Investors and Kimberley Cattle,' Australian Agricultural Economics Society symposium, Perth, 1964. NTPLA, vol D3/3E, p 7.

[21] *ibid*, p 5.

[22] In his 1952 work Kelly wrote a 19 page appendix detailing Rosewood's superior cattle, improvements, management practices and profitability.

[23] Bruce Davidson, 'How to Develop the North.' *The Bulletin*, 1-10-1966.

[24] Kelly, *Report on the Beef Cattle Industry...*, op cit, p 141 and 'Northern Territory Land Holdings,' op cit, p 3.

[25] 'Conference in Mr Barclay's Office, Darwin, 19th October, 1954.', NTPLA, vol D3/3A, p 10. In this vein, as early as 1944 the Territory Lands administration calculated the minimum capital required by a new settler at 15,000 pounds. As the Administrator pointed out, this figure disposed of:
... the thought that these lands could be developed by small settlers with limited capital and makes it clear that large areas with a long term plan of development are the only solution. ' Extract from the *Sydney Morning Herald*, 10-11-1947. NTPLA, vol D3/3A.

[26] NTPLA to Schmidt, Walter Kidman, the Queensland National Pastoral Company and H. E. Thonemann, vol 12, 26-2-1954.

[27] Refer to documents entitled 'Wyndham Meatworks, 16-3-34' attached to 'Extract from Commonwealth Grants Commission - Report of Proceedings.' NTPLA, vol D3/4I. Heartened by these results, in 1933 Bovril Australia purchased Ningbing station, which adjoined their Carlton station, thus giving the company a combined area of 900,000 acres or approximately 1,400 square miles of good quality grasslands in close proximity to the Wyndham works. Their intention was to deliver stock to the works in 'fat and good condition.' See also 'Wyndham Meatworks,' p 7, attached to J. A. Gilruth's 'Confidential Report on The Northern Territory of Australia,' NTL, NAC, Q 330-99429 GIL.

[28] 'Budget Criticised,' *Sydney Morning Herald*, 31-10-1935.

[29] Riddett, Unpublished Honours thesis, op cit, p 15.

[30] White to NTPLA, vol D3/3A, 26-2-1954.

[31] *ibid*.

[32] Kelly, *Report on the Beef Cattle Industry...*, op cit, p 102. See also 143.

[33] Kelly, *Beef in Northern Australia*, op cit, p 147.

[34] Kelly, *Report on the Beef Cattle Industry...*, op cit, p 147.

[35] See 'Appendix A,' *Report on the Beef Cattle Industry...*, op cit, p 8. See also *Beef*

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in Northern Australia, op cit, p 67. Kelly was also often quite wrong. His espousal of improved pastures and how they could enable the Territory to carry 6 million head of cattle, and his initial unswerving belief in rail over road transport, are perhaps the most telling examples.

[36] Riddett, 'J. H. Kelly,' op cit, p 9.

[37] 'Northern Development - Notes on Address by J. H. Kelly, July, 1971.' NTPLA, vol D3/3A, p 1. See also *Beef in Northern Australia*, op cit, pp 148-49 and pp 162-70 for details of expenditure on Victoria River Downs and the Vestey properties.

[38] Riddett, 'J. H. Kelly,' op cit, p 17.



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