

THEME 8: THE DUNEDIN ECONOMY

8.1 AGRICULTURE

Kelvin Grove: One of the first European farms near what was to become Dunedin was *Kelvin Grove* [site **J44/96**], established by Octavius Harwood in about 1836 on the Otago Peninsula (Hamel 2001: 105). The site was later buried by a sand blow across the peninsula, and now lies deeply buried. An attempt was made to locate the site in the 1960s (Hardwicke Knight, pers. comm.), but this was unsuccessful. As the contemporary accounts state that the house was buried intact, there is almost certainly a rich archaeological site awaiting discovery.



Figure 88: [Charles Kettle] **View of part of Dunedin, and Upper Harbour from Stafford St, 1849.** Early Dunedin was a market town serving small holders.

Small holdings: The attitudes of the founders of Dunedin regarding agricultural development differed considerably. Burns and Cargill believed in “concentration and contiguity” of the small farm lots around Dunedin because it enabled a level of social control and kept a pool of labour available for necessary works in the town. (Fig. 88) Consequently both resisted the desire of settlers to take up their rural lands.



Figure 89: [F E Liardet] **Otago Peninsula and Vauxhall Garden from Dunedin** circa 1865 (detail) *Grant's Braes* seen at left.

Grant's Braes. Thomas Burns attempted to set up a model for a small suburban farm at Grants Braes in 1849 (Fig. 89). Burns selected two ten acre blocks, Suburban sections 3 and 4 of Block IV of Andersons Bay, for his first farm in 1848 and began a two storey stone house there of the kind with which he had been familiar in Scotland. At the end of January 1849, Burns visited the Taieri for the first time and commented that it was "truly a magnificent plain". He selected land for a farm there also but thought it would be some years before son Arthur could develop it. During the next few years, Thomas and Arthur Burns worked to make an efficient and productive farm at Grants Braes. Following the difficulties of the first years, crops of wheat were successful and a load was exported to Sydney. A large timber barn was built close to the house as well as other farm structures including a clay whare for workers. When Arthur Burns relocated to Mosgiel in 1855, *Grants Braes* [B008] was leased. Parts of the farm were leased to John Somerville, and in 1858 the whole property was leased to John Mathieson for seven years. By 1865 the house was reported to be falling into dereliction and

was used as a barn before being removed and replaced with William Larnach's *Dandy Dinmont* lodge. Aside from W. F. E. Liardet's *Otago Peninsula and Vauxhall Garden from Dunedin circa 1865* (Fig 89), no views appear to exist of the house and farm.



Figure 90: [George O'Brien] **Dunedin from the Upper Junction, 1869.**
Otago Settlers Museum collection.

Prior to the gold rushes of the 1860s, Dunedin was a small town with a hinterland of small-scale dairy and sheep farms scattered on the hills and plains around the settlement (Fig. 90). Many of these small farms proved too small to be economic, and were later amalgamated into larger units. This has left an archaeological legacy of small farmstead sites, especially in the hills around Dunedin and on the Otago Peninsula. Some of the farmhouses were built of stone, and have resulted in picturesque stone ruins, such as the house on Mopanui near Osborne [site **I44/300**], which has recently been stabilised by its owner. Other farmhouses were built of timber, often being visible now as just a levelled area, possibly with some old macrocarpa or other exotic trees. A recent survey (Middleton 2009) of the Harbour Cone area on the Otago Peninsula found archaeological evidence of 18 farmsteads in a 324 hectare block recently purchased by the Dunedin City Council. Also in this area is the site of the Harbour Cone Cheese Factory [**B333**], which was opened in 1877 by a consortium of local farmers and

supplied cheese to a shop retailer in Dunedin (Middleton 2009: 37). The Mathieson property, named *Springfield*, was the base for New Zealand's first dairy co-operative, the Otago Peninsula Co-operative Cheese Factory Company Limited. The venture was unprofitable, however, and the Mathiesons turned to sheep farming before resuming the dairy enterprise in 1878. Various Mathieson family farm buildings stand on properties on the lower part of the Peninsula, notably on Centre Road and at Pukehiki. [Angus, Janet C. *Mathieson, Catherine 1818 – 1883: Dictionary of New Zealand Biography*, updated 22 June 2007 URL: <http://www.dnzb.govt.nz/>]

Chinese market gardens were important to the supply of produce to Dunedin and were established in many parts of the city. The *Otago Witness* reported on a garden at Caversham in 1878:

We visited three or four gardens, but there was only one at which we found a man who could speak a few words of English. Leong Foy was his name. He and five or six partners, most of whom worked in the garden, had leased five acres from Mr. Anderson at Caversham, which they had held for two years. The land is level, and the soil is a deep free loam, with a small stream running through it. Every inch of the five acres was under crop. There was more ground under cauliflowers than any other vegetable, and they were of fine growth and in a promising condition. Great attention appeared to be given to celery, which, was planted three rows in a trench, and managed after the system adopted by English gardeners. There were large quantities of cabbages, spinach, onions, parsnips, turnips, leeks, lettuces, radishes, peas, beans, and some red cabbages and culinary herbs.

[CHINESE MARKET GARDENS: *Otago Witness*, 1 June, 1878. P21]

Further out from the Dunedin urban area there are many hundreds of historic farm sites of various sizes, ranging from small farmsteads like the ones discussed above to large sheep runs like *Rocklands Station* near Middelmarsh, which includes not only the remains of the early homestead at the main farmstead site, but also outlying stockyards and boundary riders' huts (Hamel 2001: 117; Petchey 2006).

8.2 HOTELS



Figure 91: View of the *Royal Hotel*, Port Chalmers, looking across George Street. circa 1868. The stables of the Royal Hotel are still standing.

Alexander McKay opened the first public house in Dunedin at Port Chalmers in early 1846, naming it the *Surveyor's Arms*. It was built on the foreshore on the site of the present day *Port Chalmers Hotel* [B662], making it one of the oldest continually operated businesses in New Zealand. Dunedin's first hotel, the *Commercial Inn* was built on the north side of High Street in the block between Princes Street and present day Broadway on the site of Butterworths Building, currently part of the *Southern Cross Hotel* [B271] complex. Another early establishment, the *Royal Hotel* (Fig. 91), stood on the site of the Bank of New Zealand [B480]. It was extended from a frame house built for David Garrick and remained on the site until the early 1860s.



Figure 92: The timber ***Oriental Hotel*** in the centre of this image of Princes Street was an example of Dunedin's gold rush driven hotel boom.

Dunedin's hotel numbers boomed during the gold rush (Fig. 92) and a number of hotel buildings from this period are standing on their original sites, albeit behind altered facades and with modernised interiors.

K. C. McDonald reported that hotel numbers went from five in 1861 to eighty in 1865. Surviving buildings from the 1860s include the *Captain Cook Hotel* in North Dunedin and the *Empire Hotel* [B491] in Princes Street.

Hotels in Port Chalmers have been maintained in largely unaltered condition due to their long history of private ownership. The *Port Chalmers Hotel* [B662], *Chicks* [B703], *Mackey's* [B679] and *Carey's Bay* [B699] hotels form an impressive group of period structures in the port town. Most have survived due to robust masonry construction. The *Royal Hotel* lost its licence but survives as a private house and shop with its adjacent stable building also in private ownership (Fig. 91).

Gold rush timber hotel buildings such as the exotic looking *Oriental* on the corner of Princes and Dowling Streets (Fig. 92) did not survive fire and deterioration from the elements. Similarly, Dunedin's early timber boarding establishments also fell to progress although a number of 19th century coach houses survive as private residences including examples at Waikouaiti and Fairfield.

Temperance hotels offered food and lodging without the sale of alcohol and were a response to the public's concern about public drunkenness. When the *Leviathan Railway Temperance Hotel* (Fig. 93) was opened in 1884 by George Bodley, its 150 rooms made it one of the largest hotels in Australasia.



Figure 93: *Leviathan Railway Temperance Hotel*, Cumberland St, Dunedin

The 'golden age' of Dunedin hotels was reached in the 1880s with hotel proprietors competing to introduce the most lavish interior spaces and grandiose facades. Italian-born Melbourne architect, Louis Boldini, was commissioned to design the *Grand Hotel* (Fig. 94) on the corner of Princes and High Streets, which remained unmatched with its galleries, fine tiled floors and glass dome. Fewer new hotels were built in the Dunedin area after 1900 when the *Licensing Act* (1881) began to restrict the number of licences, and from 1881 to 1918 the pattern was towards restriction and eventual prohibition. The movement gained traction in the 1911 election when 55.82% of voters supported prohibition, narrowly missing the target of 60% required to change the legislation, and in December 1919, when prohibition narrowly missed its



Figure 94: *Grand Hotel*, Dunedin. circa 1919

majority 3,263 votes. Prohibition was closely tied to women's movements and to the Protestant Church with the Women's Suffrage Movement tied to anti-liquor activism. Licences across New Zealand decreased from 1,719 in 1894 to 1,257 in 1910. This led to a surplus of hotel buildings which were often put to other uses such as shops in urban areas or private housing and flats in the suburban areas. The *Law Courts Hotel* [B563] in lower Stuart Street is a rare example of 1930s modern hotel design by H. McDowell-Smith, which contains some original interior features, despite being redesigned for the Cobb & Co. franchise.



Figure 95: *Golden Fleece Hotel*, Waikouaiti.

circa 1970

The re-liberalising of liquor laws following the establishment of the Licensing Control Commission in 1948 allowed for the setting up of trust districts where the trust decided for itself what premises for liquor sales would be allowed. The Commission ruled on new licensed hotels, tourist houses, taverns, restaurants, and wholesale facilities. The Mornington Tavern was established on this new model along with other suburban taverns in Dunedin and outlying towns. (Fig. 95) Apart from the 'six o'clock swill', other odd distortions in the legislation covering where and how liquor could be sold included banning drinking from dancing and entertainment places such as cabarets and dancehalls. It was not until 1960 that dancing by hotel guests and in restaurants was allowed. Even so, no provision was allowed for the sale of liquor at an entertainment place or cabaret. Dunedin's first licensed restaurant, the *Huntsman Steakhouse* in George Street joined with other New Zealand restaurateurs to overturn this legislation.

Dunedin's expanding university campus and population in the 1970s brought some North Dunedin hotels within the student ambit so that the patronage of the *Gardens Tavern*, *Captain Cook* and the *Oriental* hotels became a mix of established urban drinkers and students, with students gradually getting the upper hand. Other hotels became performance venues for the burgeoning Dunedin music scene of the 1980s such as the *Empire Hotel* [B491] on Princes Street and later the *Crown Hotel* [B509] on the corner of Rattray and Maclaggan Streets.

In rural and goldfields areas, hotel sites have been the subject of numerous archaeological investigations. However, within the Dunedin City area, relatively little work has been carried out. Several historic hotels and hotel sites are recorded, such as the tiny *Oasis Hotel* [site H44/1006] beside the Old Dunstan Road at Rocklands near Middelmarsh, and the *Lee Stream Hotel* on an old road meander off State Highway 87, on the road to Middelmarsh (Field & Olssen 1976: 14, 16). Both of these hotels were on the route to the goldfields. To date, ten hotels have been recorded as archaeological sites on the I44 mapsheet [I44/219, 223, 232, 242, 252, 255, 260, 278, 279, 285] in the Exchange area of central Dunedin.

8.3 BANKING



Figure 96: Princes Street, Dunedin. Photographer unidentified. circa 1870
From left: **Exchange Chambers; Bank of New South Wales; Temple Chambers;** and the **Bank of Otago**. Also visible are the **Post Office** and **clock tower**, with cabs alongside

A bank formed by “a party of capitalists, principally Free-Churchmen” was proposed for Dunedin in 1850. [THE SECRETARY OF THE ASSOCIATION TO THE SECRETARY OF STATE FOR THE COLONIES: OTAGO OFFICE, EDINBURGH: *Otago Witness*, Issue 1, 8 February 1851, Page 4]. A joint stock bank on the Scottish model was suggested, called the Otago Banking Company, but the gap was soon filled by the Australian-owned Union Bank of Australia and the Oriental Banking Corporation, which established branch offices in Dunedin. The Oriental Bank was later bought out by the Bank of New South Wales. The Dunedin Savings Bank was established in 1861 under the *Savings Bank Act* (1858), which aimed to encourage thrift in New Zealand and to return profits to the community. Its building in Lower High Street, designed and then enlarged by R. A. Lawson and later remodelled by Mason and Wales, now houses a strip club.

Banks of all sorts rushed to Dunedin after 1862 and competed to build striking premises on the best town sites (Fig. 96). These were in the vicinity of Rattray and High Streets proceeding north towards the Octagon. The head office of the Bank of New Zealand opened in Auckland in 1862 and quickly set up branches in Dunedin and at the

gold fields. It chose William Mason as its architect and built on the prestigious High Street-Princes Street corner. This was a highly visible location, passed by anyone doing business in the town. Mason's 1863 design recalled John Soane's Bank of England in London with its curved corner wall. It dwarfed its neighbours but was quickly superseded by another banking chamber only fourteen years later. Mason also designed the equally elegant Bank of New South Wales a short distance up Princes Street. Banking attracted men like William Larnach to Dunedin. Larnach was appointed as manager of the Bank of Otago in 1866 in the hope that its declining fortunes could be arrested. It was established in 1863 but always struggled against the better capitalised banks and was absorbed by the National Bank in 1873. The first manager was John Bathgate whose unhappy experience with the bank marred an otherwise successful career. Local interests were unhappy with the National Bank's manoeuvrings and set up the Colonial Bank of New Zealand in competition. The Colonial Bank, which was funded entirely with New Zealand capital, began in business in 1874. The long depression of the 1880s and the decline in the value of gold reduced the bank's profitability and it was purchased by the Bank of New Zealand in 1895.

Bank of Australasia: The earliest known bank building in Dunedin was William Mason's Bank of Australasia in High Street. Originally designed with a fine parapet and portico, it was extensively remodelled in the inter-war period and has only recently been demolished. It stood next to Butterworths Building, also lost, on the Grand Hotel site.

The closure of banks under the economic restructuring of the banking trade has placed a number of buildings in jeopardy, including William Armson's 1887 Bank of New Zealand [B480] in Princes Street which currently lies unused. Bank closures, however, have gone on for many years and the city has many ex-bank chambers that have been put to adaptive reuse. These include the Dowling Street main branch of the Dunedin Savings Bank which was remodelled in Art Deco style in the 1930s by Salmond and Salmond and recently converted to apartments. Other important bank buildings in the wider Dunedin area include R. A. Lawson's Bank of New Zealand at Waikouaiti, now the home of the community museum.

8.4 PRINTING AND NEWSPAPERS

The printing industry in Dunedin began with the *Otago Journal* in January 1848 and the printer Henry Graham (1806-1851), who published a prospectus and a cricket notice on his Albion press. The settlement's first newspaper, the *Otago News*, ran between 1848 and 1850 with Thomas Culling (1832-1901) recognised as the 'father of printing in Otago' (*Invicta* 1.5, Dec. 1947, page 65). Culling went on to found the *Lyttleton Times* and the *Otago Witness* and *Colonist* newspapers. His Coulls and Culling Steam Printers laid the basis for the national printing,



Figure 97: *Otago Daily Times* Building. circa 1910

publishing and retailing business of Whitcoulls. Culling also had interests in the Mataura Paper Mill Company when it collected a £500 reward from the Government for the first 50 tons of paper produced in the colony and was chief shareholder in the mill when it was expanded and modernised in the 1890s.

Culling's partner, Thomas Coull (1829-1909), arrived in Dunedin in 1871 with brothers William (1831-1917) and James Francis (1835-1909). By 1882 Coulls Culling and Company was established in a large printery on Crawford Street, but its newspaper and periodicals business fell away. Its major clients were the Railways, local bodies, Union Steamship Company, stock & station agents, the National Bank and the National

Insurance Company. One of the company's most ambitious jobs was the fully illustrated catalogue of furniture and hardware for Guthrie & Larnach's Dunedin Iron and Woodware Company.

The printing business started by the expert engraver, John McNairn Mitchell (1830-1914), printed banknotes for Johnny Jones and certificates for the Dunedin Exhibition of 1865, as well as the catalogue for the later Dunedin Industrial Exhibition of 1881. Mitchell purchased the Otago Paper Mill Company works at Woodhaugh and brought production up to 800 tons annually by 1896. Mitchell's showroom featured "all kinds of books and stationery, for bankers, insurance companies, merchants and business people generally..... Samples of the numerous varieties of wrapping and blotting paper, and paper bags, made at the firm's Woodhaugh Mills, are also largely in stock." In 1915 Fergusson and Mitchell was sold to Whitcombe & Tombs Limited.

John McIndoe (1858-1916) was apprenticed as a compositor to Coulls & Culling for five years before joining Fergusson and Mitchell. He gave evidence to the Sweating Commission on the harsh conditions in the Dunedin printing industry before starting his own business in 1893. The firm was passed on to his son, John Leslie McIndoe, and grandson, James Hector, under whose direction McIndoes became a major New Zealand publishing house, installing machinery suitable for colour reproduction prior to the New Zealand and South Seas Exhibition in 1925-6. The firm passed through a number of owners until purchased by Brendan Murphy in 1992.

James Wilkie was persuaded to move from bookselling and stationery to general printing, operating Wilkie & Company at 92 Princes Street until its amalgamation with Coulls Culling in 1921.

New Zealand's first daily newspaper, *Otago Daily Times*, was published on November 15, 1861. It was established by Julius Vogel in partnership with William Cutten. Cutten was publisher of the *Otago Witness*, founded in 1851, and the new business was named the Otago Daily Times and Witness Newspaper Company Ltd. The company built a printery in Bond Street but moved to a larger building on the corner of

Dowling and Lower High Street (Fig. 97) designed by Henry Frederick Hardy. This was later joined, by a bridge at the second storey level, to a block of buildings at the foot of lower High Street. This block of buildings was demolished at the end of the 1980s.

The *Evening Star* was first issued on May 1, 1863 but was soon bought out by Mr George Bell, publisher of the *Evening Independent* and the two titles were combined into one publication on June 14, 1869. Bell had worked with Vogel as a sub-editor on the *Otago Daily Times* and had been editor of the *Otago Witness* before starting the *Evening Star*. The decreasing profitability of evening newspapers led its owners, Allied Press Limited to cease daily publication of the *Evening Star* in 1979 and convert it to a twice weekly community paper. In a complex buyout, the *Otago Daily Times* and *Star* newspapers were amalgamated into a privately owned company, also named Allied Press Limited, and relocated into the Evening Star building in Lower Stuart Street. This building is registered by the Historic Places Trust (Cat. II, Reg. No. 2135).

The Dunedin printing industry was concentrated towards the south of the old industrial quarter of Princes, Bond and Crawford Streets. Many Victorian printery buildings remain in the city, including the Otago Daily Times building on Dowling St, S. N. Brown's printery in Jetty Street and McIndoe's on Crawford Street.

8.6 PROFESSIONAL

Dunedin's professional class was evident at the earliest point of settlement, with Hocken noting, in Shaw's painting, the prominent position between High and Stafford Streets of Doctor Robert Stewart's house. Stewart was the surgeon on the *Ajax* but returned to India after only two years in Dunedin. High Street, however, became the physician's location of choice and numerous doctor's residences, with attached consulting rooms, were built on its lower reaches. Notable amongst these is the house of Doctor Daniel Colquhoun, designed by John Arthur Burnside. Other doctor's consulting rooms were located in

Albert Street (later Stuart Street), Pitt Street, York Place and the Octagon. [The Cyclopedia of New Zealand, Otago]

An early medical suppliers was established in Rattray Street by Archibald Anderson who had been associated with the Otakou whaling station. This business was relocated to Princes Street and renamed Medical Hall by John Sutton. Wilkinson and Sons Chemists, today located in George Street, is the continuation of this business and is New Zealand's oldest pharmacy. [Wilkinson & Son Chemists Ltd., History. <http://www.pharmacy1852.co.nz/more.htm>]

Legal offices tended to be located close to main areas of business and the early Dunedin newspapers are a plentiful source of information regarding legal chambers. Most were grandly named but the fairly primitive conditions in Princes Street until the 1860s suggest a more prosaic reality. The substantial offices designed in Princes St for Sievright and Stout [**B485**] by Mason and Wales in 1880 were of a different order. This building featured an open balcony at the first floor level and the elegant suspended stairway and offices were lit by a domed roof lantern. This building later became an auction house and is still used for that purpose.

The Bank of Australasia building in High Street was taken over by the law firm, Sievwright James Nichol & Stark, whose records remained in the abandoned building at 152 High Street until their recent retrieval by the Hocken Library. Other buildings relating to Dunedin's 19th century legal profession are *Castlamore* (1875) by F W Petre in Lovelock Avenue [**B379**] for Judge Chapman. Legal chambers were later built on the lower section of Stuart Street leading to the Law Courts. The Wood Adams building in Crawford Street [**B013**] was designed by Dunedin architects, Mandeno and Fraser, in 1936 and remains intact and relatively unaltered.