

Burns Philp: ‘bloody pirates’ of the Pacific

By STEPHEN WESTFIELD*

June 2020 marks the 50th anniversary of the sale by Burns, Philp & Co Limited (BP) of the last of its Australian crewed ships following the vessel’s final port call at Sydney. The 3,175 deadweight tonnes MV *Moresby*, was built in the State Dockyard in Newcastle, only five years earlier. Its sale in June 1970, marked the end of an era for Australian shipping. BP’s transformative decision to sell the *Moresby* was indicative of the commercial pressures at the time on the shipping business and the negative impact of the Federal Government decision to end vital subsidies.

For 75 years from 1885, the company’s ships provided a lifeline for the South Pacific’s island nations. BP also became a de facto arm of Australian influence and diplomacy in the regional struggle between the imperial powers of Britain, the

US, Germany, France, The Netherlands and Japan. In a time before air travel and instant mobile communications, this golden age of sea transport was inhabited by tough, but colourful characters who crewed and loaded BP’s ships around the South Pacific’s ports, while their colleagues back in Sydney were more often than not to be found negotiating the price of cargoes in the public houses around Sydney’s Circular Quay.

From its modest beginnings in a general store in Townsville, the company’s history is a fascinating journey of expansion into shipping, plantation ownership and large-scale trading across Australia, Asia and throughout the South Pacific. The company’s impressive sandstone headquarters at 5-11 Bridge Street, Sydney, built-in 1899, is a testament to the remarkable history of BP as a household company name in Australia. BP’s decision to diversify in the 1970s and 1980s was greeted initially by share market investors, but the company struggled through the protracted recession of the 1990s, and suffered a fateful delisting from the Australian Stock Exchange in December

2006. For shipping readers, this article will concentrate on BP’s shipping activities.

Humble beginnings

The great Australian enterprise began in 1872, when young Scotsman, James Burns, established a general store in Townsville to supply the north Queensland gold mining boom, in fields stretching from the frontier coastal town inland to Charters Towers and the Gulf of Carpentaria to the west and Cooktown to the north. Frustrated by poor shipping services to supply the sales of his increasing trade, Burns elected to charter a small steamer named *Isabelle*, to ship goods from Sydney, a move that drove home to Burns the dependence of isolated communities like Townsville at the time, on supply by sea. The following year, Burns offered fellow Scot, Robert Philp (later to become Premier of Queensland), a job in Townsville for a salary of £250 a year. This was the start of a remarkable gentleman’s agreement between Burns and Philp, unmarred by serious dispute throughout their partnership.

Shortly after forming the partnership,



Burns Philp ship MV *Moresby* inbound in Sydney Harbour 1965

Image: Sydney Heritage Fleet

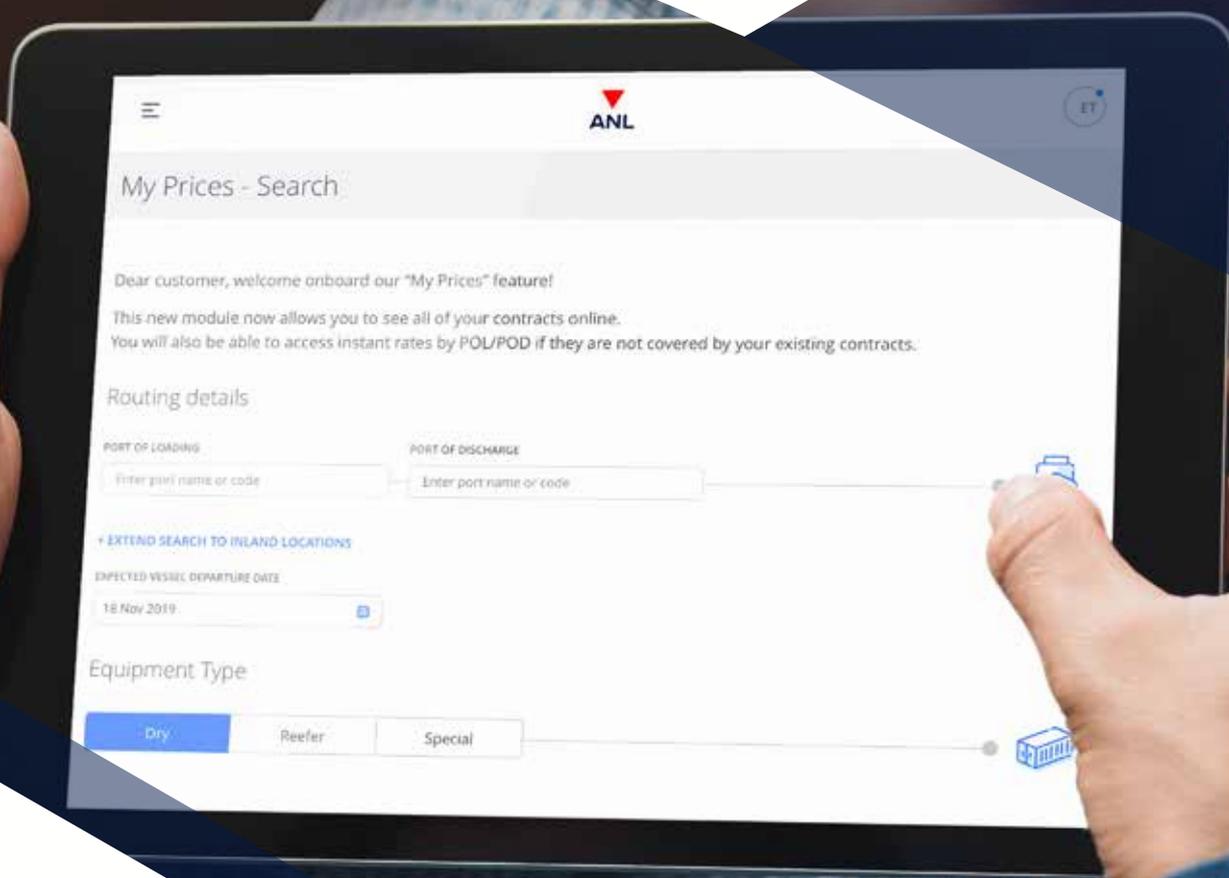
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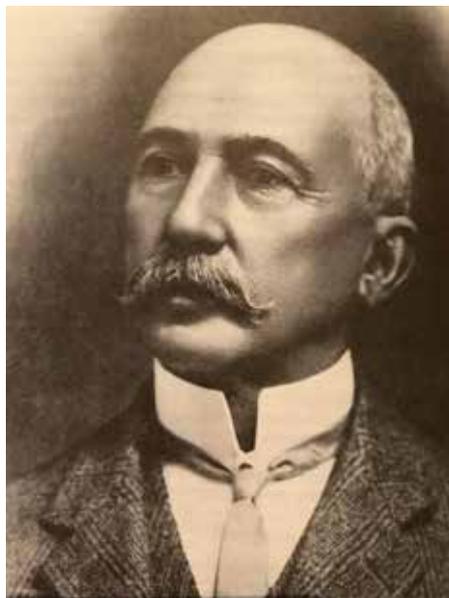
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Burns was obliged to move to Sydney after suffering repeated bouts of malaria. Philp remained in Townsville to manage the general store and the continuing expansion of the business in Queensland, while Burns grew cargo volumes from Sydney, and shipped supplies up the east coast to Townsville, and other Queensland ports. This marked the beginnings of the partnership's regular coastal shipping services. Burns became an expert in assessing ships and revelling in the business of chartering, buying and selling small vessels, while Philp presided over the expansion of stores in the rapidly growing North Queensland economy, buoyed by the development of its mining, cattle and sugar industries. The period was not without incident. In 1887, on the maiden voyage of one of the earliest ships owned by Burns, the wooden steamer *Banshee*, shipping goods between Townsville and Cooktown, ran aground and was wrecked with the loss of 20 lives. The disaster was a harsh introduction to the hazards of shipping.

With the stores continuing to prosper through the late 1800s, Burns and Philp also had grown their coastal shipping services across New South Wales, Queensland, Victoria and Western Australia. This expansion continued to Thursday Island, with BP's acquisition of a pearl shelling business. This led to supplying the industry, and then the next step of international shipping into New Guinea. The partners' first overseas store had been



James Burnes *Image: Sydney Heritage Fleet*

established by 1884 in Port Moresby, then part of British New Guinea. During this time, BP ships began passenger services and started to market holiday voyages on their ships to the Pacific Islands.

The South Pacific theatre and WWII

Throughout the early to mid-1900s, rival imperial powers tussled for control and influence in the Pacific region, and the shipping lines of these countries supported the national imperial ambitions. Whilst

decisive battles were fought in Europe, the outcomes would have drastic impacts on colonies in the Pacific Islands. Germany controlled substantial lands in the South Pacific and was supported in the early 1900s by Norddeutscher Lloyd. It lost ground immediately after the start of World War 1, however, when Australian troops occupied German New Guinea and the nearby Bismarck Archipelago. BP quickly established a service to Rabaul on the island of New Britain, and was supported in its expansionary moves by winning Australian Government subsidies to help it compete with the flags of other nations.

French territories included New Caledonia, Tahiti, plus half share with Britain of the New Hebrides (later Vanuatu) condominium. The Dutch, remaining neutral, had control of the East Indies (modern Indonesia) and western New Guinea. British interests were mainly Fiji, the Solomon Islands and protectorate roles over the Gilbert and Ellice Islands (now Kiribati and Tuvalu) and Tonga, and its half share (with France) of the New Hebrides. The United States and Japan had keen interest too in the region. There was further complexity in the region with then British colonies Australia and New Zealand, also vying for regional influence.

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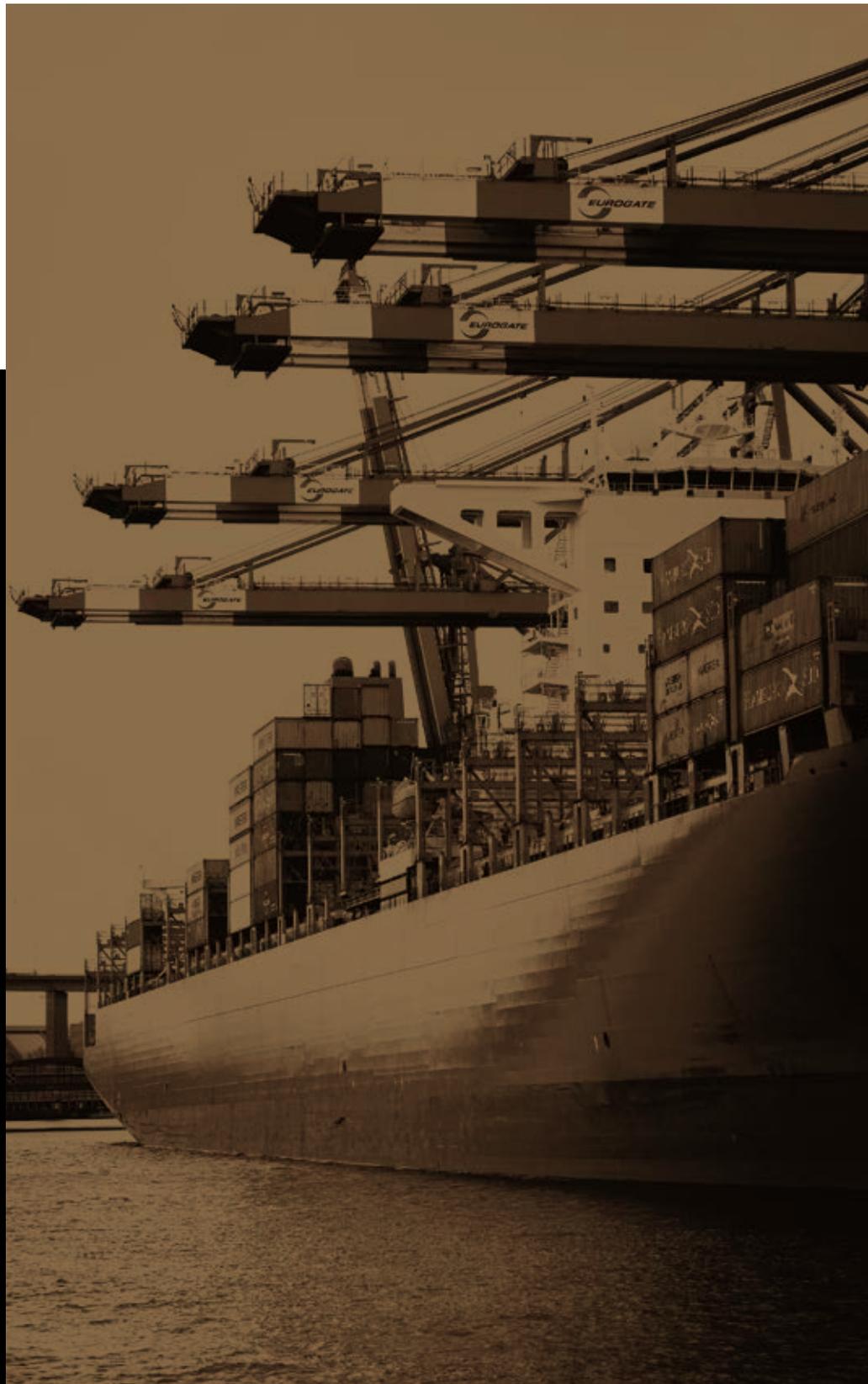
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Burns Philp ship MV Bululo docked at Rabaul

Image: Sydney Heritage Fleet

Lever Brothers, buying copra and coconut oil for Lever's European, US and Australian factories. Amongst these foreign carriers, Burns Philp was both competitor and Australian operator, leveraging its regional businesses under the guise of also protecting and strengthening Australia's interests.

James Burns and influential Sydney-based BP island manager, Walter Lucas, felt that Australia should control the South Pacific, and were particularly suspicious about German intentions.

Throughout both major wars, BP vessels were called on in the Pacific conflict to carry supplies, personnel and ammunition. In World War II, eight company ships were requisitioned and six were lost in enemy action. One notable incident involving a BP vessel occurred when the MV *Malaïta*, shipped troops and supplies into New Guinea, and helped evacuate women and children following the outbreak of war with the Japanese. *Malaïta* survived a torpedo fired by the Japanese submarine near the Port Moresby Harbour entrance on 23 August 1942.

Throughout WWII, BP mariners assisted allied forces in the Pacific with their vast, detailed knowledge of the channels, reefs and shoals. This knowledge, together with their pilotage and guidance skills, proved invaluable (several BP captains being decorated) as the "island-hopping" campaigns of the Allies pushed back the Japanese incursions.

Shipping trades

Burns Philp was a mercantile trading business but was driven into shipping to support its business. Ironically, shipping became its main business. In the age before containerisation, the cargo was shipped on pallets or loose. The Australia to New Guinea service, with two ships providing two sailings every three months was the central trade for BP up to 1970. Export cargo loaded in the Pacific included agricultural commodities, largely copra, and

these were often transhipped to Europe. Early BP ships had their own "trading rooms" where merchandise was traded for island products, with the transaction taking place on the ship. From 1920 onwards, a subsidiary Burns Philp (South Seas), operated all shipping trades east of Australia and New Guinea into the Pacific, and inter-island cargoes to avoid Australia's trade union demands and the Navigation Act.

Shipping in the Pacific was frequently unprofitable unless it included copra trading. The control of plantations and supply was vital to BP's services. Important trading partners of BP throughout the Pacific were the numerous religious missions, which required large quantities of cargo shipped for mission use, as well as various revenue-earning business interests. From the mid-1900s, BP grew rapidly in terms of its vessels and expanding trading opportunities between Australia and South East Asia. One of the later trade routes of BP was Sydney to the Pacific Islands and on to the West Coast of North America using prominent service vessel MV *Tulagi* registered by Burns Philp (South Seas) Ltd Suva.

A substantial share of Burns Philp's revenue and history was generated through passengers travelling on their ships in an era where people weren't as rushed, and a voyage to the South Pacific was an adventure. A testament to the familiarity of BP ships in the islands was the departure on its final voyage of SS *Bulolo* (which had accommodation capacity for 239 passengers) from Port Moresby for Australia, in January 1968. More than 1,000 people gathered at the wharf to farewell her on her last voyage.

Burns Philp legacy

For more than 75 years, the vessels of Burns Philp provided a lifeline for Australian communities and the South Pacific's island nations. Over that time, BP owned more than 150 vessels, and at the peak of its shipping business in the 1950s during the

period of rapid growth in trade across the Pacific, and 60 vessels at the peak. BP controlled a network of company stores and agencies across Australia, Papua New Guinea, Vanuatu, the Solomon Islands, Norfolk and Lord Howe Islands, Kiribati and Tuvalu, Fiji and Samoa. The key Australia to New Guinea trade was eventually taken over by The China Navigation Company in 1952, with the beginning of New Guinea Line with services carrying the same cargoes. Burns Philp's numerous stores scattered throughout PNG were eventually sold to long-standing shipping competitor Steamships.

What remains today of the company are the numerous buildings in Australia and throughout the Pacific, some of which are heritage-listed, including its former grand headquarters on Bridge Street in Sydney's CBD, and buildings in Townsville. The large-scale trading and retail companies that were started by Burns Philp will ensure the company is firmly ingrained into the history of Australian business, providing livelihoods for thousands of employees and a lifeline for dozens of Pacific communities. Although it was exposed to taunts, albeit friendly ones, about being "pirates", BP played a key role in the growth in trade, communications and development of Australia and South Pacific nations. Its legacy is a tribute to the vision of its founders, James Burns and Robert Philp, and an industrial example of the success that can be achieved in a free enterprise society with vision, courage and resolve. ▲

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