

## AUSTRALIAN BANK ARCHIVES AND RESEARCH

by

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This is not the place for a full description of archival collections in Australian banks, their completeness, location, conditions of access and so forth. As usable collections of important historical material they are very recent creations. When thirty years ago I started research for my *Foundations of the Australian monetary system* I found that some Australian banks held in more or less systematic accessible form a few major series of records, such as Board Minute Books, and were uncertainly aware of stores of old records, nature and condition mainly unknown and scattered over various locations. Reactions of an older generation of bank executives to my approaches to discover what they might have with the suggestion that, under some reasonable safeguards, I might consult records, varied from slightly puzzled tolerance of the peculiar idiosyncrasies of academics to undisguised suspicion of some sinister purpose. It required a great deal of persistence and complicated diplomacy, reinforced by assurances that I did not want to see anything later than 1850 and guarantees not to use any information relating to the affairs of an individual customer. In the event the responses ranged from the open-handed generosity of the former Australasia and Union Banks or the Launceston Bank for Savings to expression of willingness to locate answers to specific questions provided the work were not great, which in practice melted into willingness to let me look for the answers myself.

Today the situation is greatly changed, and I like to believe that my activities did something to alter the approach of a later generation of bankers. A number of banks, notably ANZ, New South Wales, National, and Reserve Bank have, as deliberate policy, established archives with professional staff, and rules of access and several other banks are moving in the same direction. The physical volume of the records which have been located, cleaned, systematically arranged and catalogued is very great, and a major new field for historical research, on topics which may have no connection with banking, has become available.

The types of records to be found are varied. Minute Books recording decisions of Boards of directors tend to be succinct and sometimes purely formal. But behind them may survive some of the documents immediately associated with those decisions – the ‘business papers’ of the NSW Savings Bank Trustees, for example. Various series of correspondence files and associated documents may still exist – the letters between a branch manager and head office; correspondence between general manager and his chief assistants – e.g. between a Sydney or Melbourne-based general manager and the manager in another capital city is likely to have existed in more than one series, one of which would be

'private' correspondence exchanging wide-ranging news and views. A special sort of letter-exchange occurred in the case of those banks which had head offices in London and main business in Australia. Letters had to be written with regard to the time required – in the nineteenth century measured in months – for a reply to be received. They had therefore to explain themselves at length, canvass alternative courses of action, set out local conditions and prospects fully. Such exchanges occurred in various series ranging from routine information and instructions through confidential reports on bank officers, discussion of specific problems, statements of policy, reports on local economic conditions to relatively informal 'private' correspondence between senior executives. A notable example of the last is the collection of long, several-times-a-week letters from John Sawers, Superintendent of the Bank of Australasia in Melbourne, to Prideaux Selby in London office during 1891–3 giving an intimate crash by crash account of the banking crisis as it was happening.

There are (or were) branch managers' diaries recording interviews with customers and others ('to diarise' is a transitive verb among bankers); staff records, premises records; letters to and from customers; documents relating to advances and securities for them and to problems of holding and disposing of properties foreclosed for debt. There are current account ledgers recording the transactions of customers; 'balance books' summarising (usually half-yearly) the state of each account, with annotations; and a host of other accounting records.

Some limitations on the use of bank records need to be borne in mind. First are questions of access and of use. Those are private business records, and bankers have legal as well as moral obligations concerning the affairs of customers. These obligations may, formally, be slight in respect of customers long dead, but even so no banker can ignore the existence of customers who are descendants nor the reaction of other present day customers to the idea that at some stage in the future their banking records could come under scrutiny. And when it comes to business firms many have long histories as bank customers. David Jones Ltd might well advertise the 1843 Union Bank inspector's report on the shopkeeper David Jones, that his loan was a bit large in a depression situation, but he was judged to be a man who would honour his obligations and whom the inspector was confident would establish a successful business. But not every company would tolerate disclosure by its bank of some episodes in its history even if they occurred so far in the past that they have little relevance for the reputation of the company of today. One must, in short, recognise that banks have legal and moral obligations, and cogent reasons of self-interest for being restrictive about access to some of their records. And, further, bank archives are not public libraries. However generous their inclinations they could not be expected to open their records to every casually curious person, if only because that could become expensive.

A second limitation is the obvious point that much has been destroyed and that what has been preserved has been selected as much by chance as by conscious decision. Generally failure of a bank has meant destruction of its records, but

chance sometimes takes a hand. When in 1940 I located and identified in a disused flour mill in Hobart a mountain of records of the Derwent Bank (failed 1849) their condition suggested that they had not been moved since the liquidator (owner of the mill) finished with them ninety years earlier, except the evidence of the activities of children, which probably accounted for the absence of some of the more important records which must have existed and the survival of large very heavy account books. When the Bank of South Australia finally went out of business in 1899 the London liquidators destroyed everything, but in Adelaide the Union Bank, having taken over the South Australian business, retained records which included duplicates of most of the correspondence with London over seventy years, and these are now safe.

On the other hand survival in some cases has been remarkably good, notably for the Bank of NSW and for the Australasia and Union which were merged in ANZ. For the future as more banks put their records in order and plan selective preservation of current material the prospects are bright. Not every one can be satisfied by the principles of selection (themselves not uniform among banks) which are employed. The local historian, the student of the history of individual businesses, the biographer, will hope to find record of the transactions of individual persons, businesses and organisations with all the associated record of profession, scale of activity, ownership of property and the like which would be a normal part of the banking record. Banking generates vast quantities of paper and even the most generous and historically-minded bank can preserve only a tiny fraction of the total. The material which because of its bulk must be first to go is precisely the most detailed and intimate. One can contemplate much of this with equanimity as soon as one reflects that the chance that any particular current account ledger or similar detailed record would ever be used by a researcher is remote, and the chance that that researcher would have the local and personal knowledge to interpret its cryptic abbreviated entries more so.

These are limitations applying to any use of archival material. A more specific limitation is the fact that while the banker learns and records facts and views not otherwise readily accessible, what he learns, or at least what he records is only a facet of the whole truth. No man is a hero to his valet, his doctor or his bank manager. Peter Lalor, the hero of Eureka, was no hero in later years to his bankers, but a blatherskite M.P. whose dealings in mining shares and mining properties were such that more than one bank refused to continue to keep his account. Charles Sturt, raising money for exploration, dealt with two Adelaide banks, carefully concealing from each his transactions with the other, not for fraudulent motives but because neither was prepared to advance as much as he believed his exploratory work justified and each asked searching questions about his other indebtedness. What they recorded was their disapproval of his business methods; their judgement of him as a man and an explorer is unstated.

A practical difficulty, progressively but slowly being reduced, in the historian use of bank archives arises from the fact that systematic bank archives in Australia are less than twenty years old, and only one of the banks which have

so far ventured into the field (the Reserve Bank) provides a staff of more than one for the purpose; in two cases the solitary archivist is part-time and the accommodation, while physically adequate, is in several cases remote low-value locations. Those banks which have created archives do have some appreciation and do attach some value to their collections outside their own immediate purposes, but these attitudes are still in process of evolving and developing. The value of the records for the Bank's own history and the more immediate use in public relations and advertising are inevitably uppermost in the minds of some. One must therefore be prepared to find that for large series of records the only guide the researcher will have is a list of series titles, and perhaps some oral guidance from the archivist as to the general nature of contents. The situation tends to be better in the case of those banks which have produced a house history, but it will be some time before, e.g. the historian can hope to have any comprehensive indexing etc. to shorten the labour of searching. These things will change. The important development is that the leading Australian banks have accepted the desirability of establishing and maintaining archives even on the narrow basis of self interest, and the present generation of senior executives is receptive to the view that these archives have a contribution to make to a wide range of research.

So far Australian bank archivists have not appeared as editors or compilers, but it can be hoped that such activity will not long be delayed. It is easy to find examples of bankers' letters well worth publication. E. Stephens the original manager of the Bank of South Australia landed with the first settlers and his first office was a tent on the beach at Glenelg. With little banking business to do, his first outward letter book (1837–40) is a running commentary on the beginning of the new colony. The 'private' letter book of C. Robertson and E. Moon, managers 1846–54 of the Union Bank branch at Portland, is a similarly intimate account of its early growth and its personalities. The daily account of the crisis of the nineties by John Sawers, the outstanding banker of his day, has already been mentioned. Similarly the correspondence of these notable figures of the Bank of NSW, Shepherd Smith and Donald Larnach, would repay, even in a market sense, publication. So too, at a more pedestrian level, it would be extremely useful if archivists could be authorised to extract and publish (initially in periodicals?) compilations of data such as interest rates, exchange rates etc. for the nineteenth century, so that they would be generally available and fill the gaps before official published series start. A fairly complete series of salary statistics could be recovered, and so on.

When the editor asked me to do this note he suggested as one topic 'some examples of the type of historical writing that has been made possible through access to bank archives in Australia'. The most important and most numerous has naturally enough been in the field of banking history – my own *Australia and New Zealand Bank*, Blainey's *Gold and Paper*, Holder's *Bank of New South Wales*, Giblin's *Growth of a Central Bank* and so on. This has been an obvious use, and a very important stage in the process of selling the idea of archives to bankers, who have been influenced not only by narcissism but have been ready to see the value of fuller understanding of the evolution of their own particular bank as part of a system.

The next most obvious use has been in more general economic history, though as yet in a very limited way. Among the few recent books involving some access to internal bank records have been Schedwin's *Australia and the Great Depression* and Boehm's *Prosperity and Depression in Australia 1887-1897*. The number of such is few, in part because bank archives as an organised enterprise are new in Australia, and those of ANZ, National and Wales were able to be brought into effective existence fairly rapidly because they were associated with the writing of a history of the bank in question. It is those histories which have done most to make known the existence of the archival collections and to suggest their possible value for projects other than banking history although it is possible that they have promoted an assumption that bank archives are concerned solely with banking history. The type of publication of archival material I have suggested above might do something to dispel this view, if it exists. One should perhaps add that, naturally enough banks have had no motive for publicising their archives and inviting customers. One must accept their understandable view in the present stage of evolution of bank archives that these are private collections to which senior research workers may be allowed access, not profitable sidelines for which business has to be drummed up.

Some other occasional use has been made of bank records. As long ago as his biography of Macquarie, Malcolm Ellis found relevant material in Bank of NSW records and Lady Bassett made a little use of ANZ material in *The Hentys*. But on the whole biographers have apparently not thought that their subjects' banking operations might have been illuminating just as local and regional historians seem not to have approached banks. Among more general histories, Pikes' *Paradise of Dissent* made use of bank records then available in Adelaide.

These illustrations provide a partial answer to one of the editor's other suggestions, 'some projects that might be launched if more banks opened their archives to academic research workers'. Banking operations touch the activities of individuals, institutions, companies, governments at many points, and the banker sees from a special window, economic political and social life in many aspects; sometimes perhaps they suffer from tunnel vision and the light they throw, if not corrected and amplified from other sources, may be a distorting as much as a correcting one. But in any project involving banking operations, even if in a minor way, it is always worthwhile considering what bank sources might yield.

But I find myself demurring at the implication of the last part of the editor's last point, the suggestion that more banks 'should' open their archives to research workers. Rather I think the onus is on research workers in specific cases to show that the answers to their questions are, or might reasonably be hoped to be, in banking records. If one understands by archives systematic assembly of records then, in my experience, these banks which have so far created archival collections have been generous in giving access to senior research workers (and to some junior ones). If one uses 'archives' more loosely to mean such records of the past as still exist, the fact is that outside a narrow range such as board minute

books (and sometimes not even those) those banks which have not yet created systematic collections may have little or no idea of what may exist in cupboards, basements and stores. In such case specific inquiries may have some chance of a good reception, but fishing expeditions have not. One may hope that the example of the more progressive banks, and experience of specific individual inquiries will combine to persuade more banks to organise their records, and that each piece of research which makes effective use of bank records will contribute to promoting readiness to give access to particular research workers. To repeat an earlier point, bank archives are not public collections, and the attitude of their owners to access and their degree of acceptance of some social responsibility to facilitate scholarly research are both in process of evolution. The best way to persuade them along the path that historians would like them to follow is to demonstrate in particular cases the value of their records. The historian may be expected to make his own particular case for access; those who do are more likely to be pleasantly surprised than frustrated.