SAVINGS BANKING IN NEWCASTLE
THEN AND NOW

Enormous progress has been made since savings banks were first established in Newcastle 100 years ago.

To-day, the Commonwealth Savings Bank has 15 branches and about 100 agencies in the Newcastle district alone. It is the second largest savings bank in the world. Let's look at the record:

★ Five out of every nine Australians bank with the Commonwealth Savings Bank.
★ It is the only savings bank in Australia to have offices in every State.
★ Throughout Australia since the war, £150,000,000 has been lent for housing by the C.S.B. This money helped to build enough homes to accommodate 350,000 people—about twice the population of Newcastle.
★ In the Newcastle district itself, at least one out of every five houses erected since the war has been built with the assistance of the C.S.B.
★ The Commonwealth Savings Bank is still lending more for housing than any comparable institution.
★ Since 1952, thirty loans totalling £1,550,000 have been made to the Newcastle City Council. This money has been applied to electricity supplies, to work on the abattoirs and for general works.
★ A further loan of £100,000 was recently made to the Shortland County Council.

The Bank is proud of its record in helping the development of Newcastle and, indeed, the whole of Australia. Your continued support will make it possible to maintain our lending programme at its present level.
This booklet is presented with the compliments of the Commonwealth Savings Bank on the occasion of the centenary of savings banking in Newcastle and has the approval of the N.S.W. Education Department.

The "Newcastle"—launched 1884.
One hundred years ago, the first savings bank in Newcastle was opened. Along with the general development of the area, this savings bank flourished and grew. To-day, in its place, stands the Commonwealth Savings Bank, having direct links with the first savings bank which started so long ago.

It is difficult to imagine what Newcastle was like in the days when Hunter Street and Bolton Street were rough waggon tracks winding between the trees and beside the river.

The first mention of any part of Newcastle can be found in the log of Captain Cook's ship, "Endeavour," wherein was written on 10th May, 1770, "Twelve noon, gentle breezes and clear weather... a small clump of an island lying close on shore." The island was, of course, Nobby's. Cook, however, sailed blissfully on,
little dreaming of the wealth that lay behind that “small clump of an island.”

This discovery was left to Lieut. John Shortland who, in 1797, while searching for the missing cutter “Cumberland,” which had been seized and taken over by its crew, entered the river and anchored in deep water. He named it Hunter’s River and returned to Sydney with samples of coal found near the waterside.

In July, 1801 a party of seventy persons under the command of Lieut. Grant, R.N., arrived from Sydney to survey the entrance and to explore the main stream of Hunter’s River. After a few weeks they returned to Sydney carrying with them a cargo of 24 tons of coal. Later in the same year a garrison was established at “Coal Harbour” as it had become known.

Coal was not all important, however, for along the banks of the river which meandered down from the hills beyond, cedar trees grew in abundance. Timber cutters used to float the logs down to Port Hunter—now called Stockton—for shipment to the rapidly growing colony at Sydney.

The next settlement began on 30th March, 1804, with Lieut. Charles Menzies of the Royal Marines as Commandant. His task was to establish a full penal settlement using the convicts as labourers in the mines and elsewhere, and to maintain a steady supply of coal and cedar to Sydney. Menzies had renamed the settlement “King’s Town,” but Governor King, in a despatch to Lord Hobart, dated 16th April, 1804, stated that he had decided “to give the settlement a name and none appears so applicable as that of Newcastle.” From Lieut. Menzies’ arrival in 1804, Newcastle was mainly a penal settlement until, in 1855, the last of the convicts were removed to Sydney.
During that period, however, they had assisted in the erection of many buildings, including a church, hospital, school and barracks.

Convicts also helped to build the breakwater connecting Nobby's to the mainland. Begun in 1813, the breakwater was not completed for nearly 50 years. During this time, a special account called "Prisoners At The Breakwater, Newcastle" was opened in the Savings Bank to take care of the money of the convicts working on the project. In 1822, Mr. Surveyor Dan-

"Prisoners at the Breakwater" (about 1823)—for nearly 50 years convicts were employed on the building of the Nobby's breakwater.
By 1823 Newcastle (then sometimes referred to as King's Town) was showing signs of developing into an important port. (From sketches in the Mitchell Library.)

gar began the first proper survey of the town and land was made available to free settlers. The “Newcastle Hotel” was opened in 1823 for “Gentlemen, Settlers and Others.” Most of the early settlers were fully occupied with farming or timber cutting but some coal was being exported.

The year 1831 saw the arrival of the “Sophia Jane,” the first paddle steamer to reach Australia. She traded and carried passengers between Sydney, Newcastle and Morpeth. The Sydney Gazette, extolling her sailing qualities and passenger accommodation, stated that the ladies were well catered for, “with a compartment having every convenience they could desire, together with superb looking-glass panels which reflect their charms with all the fidelity of the truth.”

While these early settlers were exploring and developing this rich new area, well-meaning people in the mother country began to concern themselves with the need for thrift and for the provision of means by which the saving of money could be encouraged. One result was the opening, in 1810, at Ruthwell in Scotland, of the first self-supporting savings bank in the world. This first savings bank was run for the same purpose as the Commonwealth Savings Bank is to-day—to look after people’s money and to help them save for the things they want.

The new idea of savings banks spread quickly and soon Mr. Justice Barron Field, a Sydney judge, suggested that Australia should have a savings bank. In
1819, a public meeting of Sydney residents decided that the opening of a savings bank would help to rid the colony of drinking and gambling and replace these evils with “habits of economy, thrift and matrimony.”

Australia’s first savings bank was opened in Sydney on 17th July, 1819, only nine short years after the opening of the first savings bank in Scotland. “Campbell’s Bank,” as the Sydney bank became known, was at first not very successful and Mr. Justice Field suggested, rather unhappily, that the “absence of frugality and economy” in the colony may have been the reason for this.

Another savings bank, The Savings Bank of New South Wales, often known as the “Sydney Savings

Newcastle’s first church was erected in 1812 on the site of the present cathedral. It was built of slabs.
Bank,” was opened in 1832 by Act of Parliament. This new bank took over all the accounts of Campbell’s Bank and business began to increase steadily.

Meanwhile, many of the settlers in Newcastle were convinced that their township also should have the benefit of a savings bank. In 1856, the Rev. Mr. Gibson wrote to the Managing Trustees of the “Sydney Savings Bank” and suggested that a branch be opened in Newcastle. It was, however, only after lengthy investigation and reports by the Rev. Mr. Gibson, the local Bench of Magistrates and prominent residents of the district, that it was decided to open a savings bank in Newcastle.

Newcastle’s first savings bank opened during April, 1858—exactly one hundred years ago. Mr. Platt was its first accountant and he received the sum of not quite four shillings a week for his services.

Three prominent local residents were appointed as Trustees of the new branch. They were Messrs. Patrick
Charles Boswell, Charles Bolton and William Keene. Their duties were honorary and involved, chiefly, supervision of the work of the accountant, Mr. Platt, who, in August, 1858, was succeeded by Mr. Ewen McPherson.

By the end of the first year the branch had 23 accounts with balances totalling £783. Slowly, however, the business increased and by 1869, when the branch was located in King Street, the balances were the highest of all the country branches.

Because it had been reported that the King Street premises were unsuitable, “being out of the way and at night being very dark and unsafe,” a move was made to a room at Belmore Markets and, some years later, to a new building in Bolton Street.

Another savings bank, the Government Savings Bank of New South Wales, opened an agency at the Post Office on 1st October, 1871. Newcastle was now able to boast that it had two savings banks. Eventually, in 1908, the Government Savings Bank transferred its business from the Post Office to a new branch.

This was the position when the Commonwealth
Newcastle's first public school opened in the same year as the first savings bank, 1858. Above is a sketch of the Newcastle High School about 1879.

Savings Bank made its appearance in Newcastle on 13th January, 1913. First of all an agency was opened in the Post Office and in the following year, on 16th March, 1914, a branch of the Commonwealth Savings Bank opened for business.

At this stage, Newcastle had three savings banks, but only until May, 1914, when the two older savings banks were combined into one—the Government Savings Bank of New South Wales.

Newcastle became an even busier port year by year and many new industries were attracted to it. A further big boost to its development was the great expansion of the steel industry. Coupled with its industrial progress was a steady increase in population. To meet the demand, it was necessary to enlarge existing savings bank premises and to open many new offices.

On 15th December, 1931, the Government Savings Bank combined with the Commonwealth Savings Bank so that the business of the Commonwealth Savings
Bank included those of the Government Savings Bank and the earlier Savings Bank of New South Wales.

Since then, the Commonwealth Savings Bank has continued its policy of providing offices wherever they are needed. To-day, there are 15 branches and 98 agencies of the Commonwealth Savings Bank in the Newcastle area. Over 140 schools in Newcastle and nearby districts have school savings bank facilities for their students.

The Commonwealth Savings Bank is proud of its historical link with this one hundred years of savings bank service and is confident it will be as intimately concerned in Newcastle's future progress as it has been in the past.

*With the growth of Newcastle banking has spread to the suburbs. The Commonwealth Savings Bank has opened many fine new buildings.*