



# The Granville Guardian

Patron Laurie Ferguson M.P. B.Ec.(Syd) M.A.(Syd)

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The next general meeting of the Granville Historical Society will be held at 2.00pm on Saturday 24 May 2014  
At our Research Centre  
62 Railway Parade Granville

### Speakers

Gerald Lefurgy & Barry Bullivant

*The People's Champion, the Battler's Friend, Jack Lang*

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#### Friends of Mays Hill Cemetery

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## PRESIDENT'S REPORT

### Granville Historical Society

*"A Place where heritage & culture are valued & celebrated."*

This month has been rather busy for the Society. During Volunteers Week, June and I represented the Society at a reception for the Volunteers of Parramatta. Our project with ICE has resulted in the Lord Mayor of Parramatta recognising the Society and ICE with a Civic Reception and the launch of The Lennox Trail, a fitting tribute to David Lennox, Parramatta's master bridge builder, for Heritage Month. This application has an app that people can take on the walk, the eBook which can be used for information on Lennox's life in Parramatta. This will be offered to Parramatta as a contribution for Parramatta City's Tourism programme.

Gerald Lefurgy who, some of you may remember, lived in Canada, is in Sydney to visit his fiancée, Gerry has volunteered to be our speaker at our next meeting. His PowerPoint presentation will be an interesting story illustrated with images, of the State Member for Granville and Premier of NSW, John Thomas Lang. The story has also caught the interest of the Royal Australian Historical Society, so watch this space to see what happens in that area.

June and I have spoken at Westmead Rehabilitation again this month. Also we will represent the Society there at "Australia's Biggest Morning Tea".

Parramatta City Council Community Grants Programme has been awarded again this year. The Society was successful in obtaining two grants for our project on the Parramatta WW1 Soldiers; the Telling Stories Grant is to research the families of soldiers on the Royal Gate at St John's Church and the War Memorial in Prince Alfred Park. The Greater Western Sydney Heritage Action Group has lodged a submission

through the Parramatta City Council and the Heritage Advisory Committee to have the name of the Park revert to Prince Alfred Square. It appears that the name was changed from Square to Park when the Geographical Names Board was set up. All the research undertaken has not uncovered a legal document that states who authorised the name change. We were also successful with a grant to increase the strength and scope of the Granville Historical Society's "Arts Hub". The Executive quite some time ago decided to increase the area and audience appeal for learning and enjoying the history of Australia. To that end the Board set up a think tank to increase interest in our rich Australian culture and heritage, including our indigenous and migrants' cultures. We welcomed the Chinese Cantonese Opera, and Scottish House. We have also auspiced Blaxland and Daughter and their play "Crossing", a live theatre for school students and the community.

We have been successful in obtaining a grant to sponsor a young artist with Vietnamese heritage to paint the Royal Gate and the Prince Alfred Park War Memorial. The paintings will be purchased from the artist with a view to having them hung in a prominent place in Parramatta. This addition to our scope of telling the story of Australia and Australians will have visual of WW1 for the community to enjoy. With our partnership with ICE this increases our capacity to share our history on different platforms which interest different audiences. Like the Play "Parragirls" which June attended with Di Bartok last week, it allowed the audience to feel what the girls suffered at the hands of their guards in the Parramatta Girls Home. The Society will discuss how we can support the writing of historical fiction which will appeal to a different audience again.

**Barry G Bullivant OAM**

## THE 1890s DEPRESSION

**Australia prospered after the gold rushes of the 1850s, experiencing almost three decades of growth. But this came to an end in the early 1890s. The collapse of the 1880's property boom in 1889, a decline in overseas investment, and severe cutbacks in spending on railways and other infrastructure, led to the collapse of land finance companies and building societies in Victoria. This spread to New South Wales late in 1891. Within two years, only one of 36 land or mortgage banks had survived. Of the 64 larger banks trading in 1891, 54 had closed their doors, 34 of them never to re-open.<sup>1</sup>**

**The land boom had created an investment climate in which even a humble railway worker like James Niblett could, with shrewd buying, own multiple properties. Niblett came to Australia with his wife Hannah and two small children in 1853 to work on the construction of the Sydney to Parramatta Junction railway. He worked at Parramatta Junction (Granville) as a porter when the line was completed, and built the first house in Granville. His first major land investment was a block of some two-and-a-half acres (about one hectare) in the Parramatta South sub-division in February 1865. This was in the centre of the future township of Granville, located between Good, Cowper and Bold Streets and the railway line. He built the Granville Hotel on part of this block, and as his wealth increased engaged a Sydney architect to design a new two-storey house for**

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<sup>1</sup> L. Davidson and S Salisbury, *Australia's first bank, 50 years from the Wales to Westpac*, UNSW Press Sydney 2005, p. 25

the family home. Unlike some other high-profile investors, he survived the coming financial storm.<sup>2</sup>

The first bank to collapse was the Federal Bank of Australia, the smallest and the weakest of the trading banks, which went into liquidation in January 1893. However, bank depositors didn't start to panic until April when the Commercial Bank of Australia suspended trading at all its branches including Parramatta, pending reconstruction. This was followed by a small run on the Granville branch of the Commercial Banking Company of Sydney by people who, confused by the similarity of the two banks' names, mistakenly believed it was their bank that had stopped withdrawals. A fortnight later, two more banks, the English, Scottish, and Australian Chartered Bank and the Joint Stock Bank, also announced suspension of trading pending a restructure. The Joint Stock Bank sought the support of other banks, but they declined to help. This weakened public confidence and caused a brief run on the other Sydney banks but they were able to meet all withdrawals. A total of 13 banks were forced to close during the crisis, and by August, 12 of these had been able to resume trading.<sup>3</sup>

Unemployment had been a major problem in the colony since 1890, due to a recession in the building industry and the cutbacks in public works programs. Twenty-three of the 760 houses in the town of four thousand people were vacant in 1891. The number of unoccupied houses would rise to 97 over the next two years as more and more tenants were forced out because of their inability to pay the rent. In the years 1890-1892, 13 Granville men were bankrupt. Seven of them were building industry workers – an architect, three brick makers, two painters, and a carpenter.<sup>4</sup>

In 1893, a higher profile Granville resident, John Nobbs MLA, was forced to go before the Bankruptcy Court. It appeared that Nobbs hadn't believed he was in financial difficulties, even though he wasn't earning enough from rents and investments to meet his mortgage repayments for some months. But after it was revealed at a meeting of shareholders of the Australian Mutual Investment and Building Company Limited that his indebtedness to the company amounted to more than £5,400, it dawned on him that he was insolvent. He resigned his seat in Parliament and filed for bankruptcy on 26 April 1893. Nobbs told a Bankruptcy Court hearing his bankruptcy was caused by the failure of financial institutions and a decline in the value of property. He also admitted that he had entered into large land speculations. Called on to satisfy the court these speculations were not rash and hazardous, he denied he had speculated 'rashly and inconsiderately', and said he could not have foreseen the extraordinary financial collapse that brought about his bankruptcy. He had thought 'the good times' would return, houses would become tenanted again, and he would again receive all his rents from tenants.<sup>5</sup>

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<sup>2</sup> State Records NSW: Passenger List *Maidstone*, 1853, Reel 2137/2465; Land and Property Information NSW: Old System Records, Book 91 No. 891

<sup>3</sup>B. Fitz-Gibbon and M. Gizycki, *A history of last-resort lending and other support for troubled institutions in Australia*, Reserve Bank of Australia, 2001, pp. 21-27, [www.rba.gov.au/publications/rdp/2001/pdf/rdp2001-07.pdf](http://www.rba.gov.au/publications/rdp/2001/pdf/rdp2001-07.pdf) accessed 18 May 2014; *Cumberland Argus and Fruitgrowers' Advocate*, 8 April 1893 p. 4; *Sydney Morning Herald*, 21 April 1893, p. 4

<sup>4</sup> *Cumberland Argus* 12 September 1891, p. 6; State Records NSW Bankruptcy Index;

<sup>5</sup> *Cumberland Argus*, 23 April 1893, p. 4, 15 April 1893 p. 3; *Sydney Morning Herald*, 19 April 1893, p. 8; State Records NSW: Bankruptcy Files 1888-1928, 10/22855 No. 6457 J. Nobbs

While the banking crisis was over by late 1893, hundreds of men were still out of a job, according to a speaker at a public meeting on unemployment in the Granville Town Hall in November 1893. And many of those who still had work were forced to accept a cut in pay. Granville Council decided to halve the hours (and consequently the wages) of its employees. Only the Clerk, John Scarborough, and his assistant, were retained on full-time work. In the private sector, employees of Goodlet and Smith also had their wages reduced. Thirty-seven Granville families were relying on Government help to buy food and essential supplies, along with 300 in the Parramatta local council area.<sup>6</sup>

By late 1894 there were signs of recovery in the building industry. The *Cumberland Mercury* reported the construction of at least a dozen new houses was under way, as well as a shop and dwelling on Sydney Road (Parramatta Road). But in June 1895, business in Granville was at a standstill, according to the *Cumberland Argus*. It reported that every shopkeeper was complaining about trading conditions, and that at Hudson's engineering works, 'work is slacker than ever'.<sup>7</sup>

Hudsons had thrived on lucrative orders for railway rolling stock during the 1880s boom, but the orders had dried up by 1892 and there were none for the next two years. The works survived on sales of agricultural machinery and a trickle of contracts for tramway cars, but the company was in a bad way in 1895 and eventually went into voluntary liquidation. In 1898 it was taken over by the newly-formed Clyde Engineering Company in the first step on the road to recovery. By then, Granville, too, was beginning to recover from one of the worst recessions in Australia's history.<sup>8</sup>

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<sup>6</sup> *Cumberland Argus*, 11 November 1893, p. 7, 15 April 1893, p. 3, 11 March 1893, p. 8, 1 April 1893, p. 4;

<sup>7</sup> *Cumberland Mercury*, 27 October 1894, p. 5; *Cumberland Argus*, 8 June 1895, p. 2

<sup>8</sup> B. Hardy, *Their work was Australian, the story of the Hudson family*, Halstead Press Sydney, 1970, pp. 50-57