

# GARY LEWIS: Australian Credit Union Research

A Presentation by Ben Woods, Assistant Archivist, Australian Mutuals History

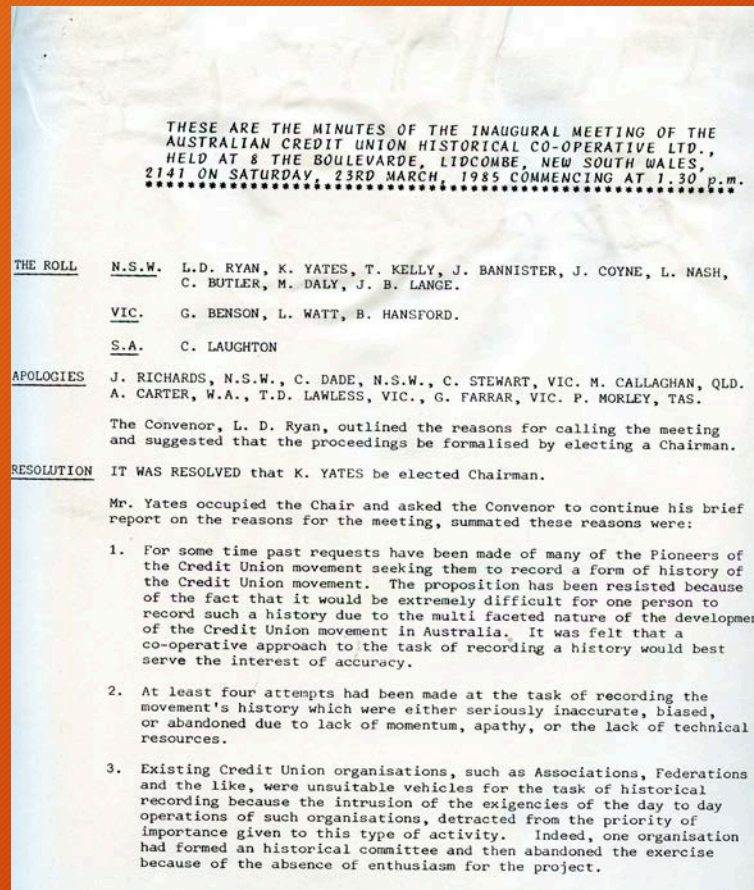
# SCOPE OF PRESENTATION

- Gary Lewis' work with the Australian Credit Union Historical Co-operative as an early member (ACUHC was the forerunner to Australian Mutuals History)
- People Before Profit: The Credit Union Movement in Australia
- A Mutual Way: Fifty Years of Gateway Credit Union



*Left: Gary Lewis working on "People Before Profit" at the ACUHC office in Surry Hills, Sydney in 1996*

# 1985: Australian Credit Union Historical Co-operative is Born



*"For some time past requests have been made of many of the pioneers of the Credit Union movement seeking them to record a form of history of the Credit Union movement. The proposition has been resisted because of the fact that it would be extremely difficult for one person to record such a history due to the multifaceted nature of the development of the Credit Union movement in Australia. It was felt that a co-operative approach to the task of recording a history would best serve the interest of accuracy"*

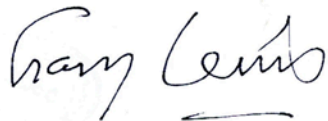


Gary Lewis addressing the  
ACUHC AGM in 1989

# The Genesis of People Before Profit

**Co-operatives' historian and Australian Credit Union Historical Co-operative member, Dr Gary Lewis, researching in the Co-operative's Reading Room. Gary has been commissioned by CUSCAL to write a history of the Australian credit union movement for publication in October 1996. He has been working on the project since September 1994, making extensive use of the Co-operative's Archives including the oral history component. He says:**

*When CUSCAL approached me in 1994 to write a history of the Australian credit union movement by October 1996, I was encouraged in the belief that such a vast undertaking was possible in the limited time by the existence of the magnificent resource assembled over a decade by the Australian Credit Union Historical Co-operative. The Archive is a researcher's dream. Attempting such a project in the time available would have been impossible without it. The resource embodies a magnificent achievement ensuring that the historical roots of the Australian movement will never be lost or forgotten. I urge everyone associated with credit unions to find out more about the Historical Co-operative and how it can help your organisation preserve its heritage. The collection is already a national treasure. Introduce your historical gems.*



Dr Gary Lewis  
CUSCAL Jubilee History Project  
Wamboin NSW

On the basis of his reputation as an expert on Australian co-operatives, CUSCAL General Manager, Graham Loughlin asked Lewis to write the history of the Australian credit union movement.

He was certainly qualified, but could he produce a manuscript ready for publication by October 1996? Former ACUHC volunteer John Lee said Lewis "worked like a demon" to get the project completed.



*1995 Jubilee History Editorial Committee*

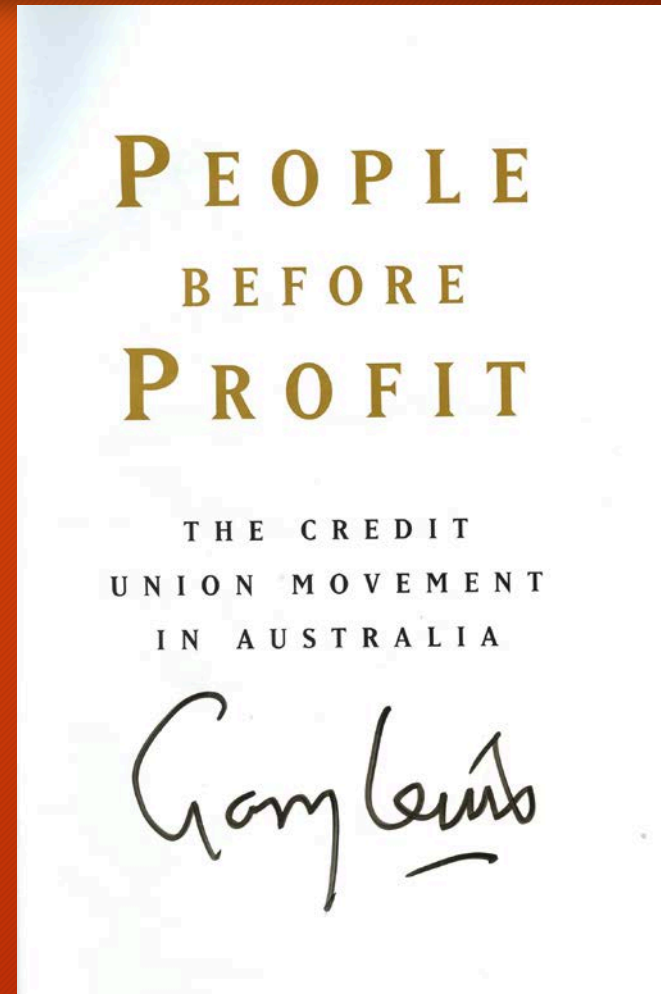
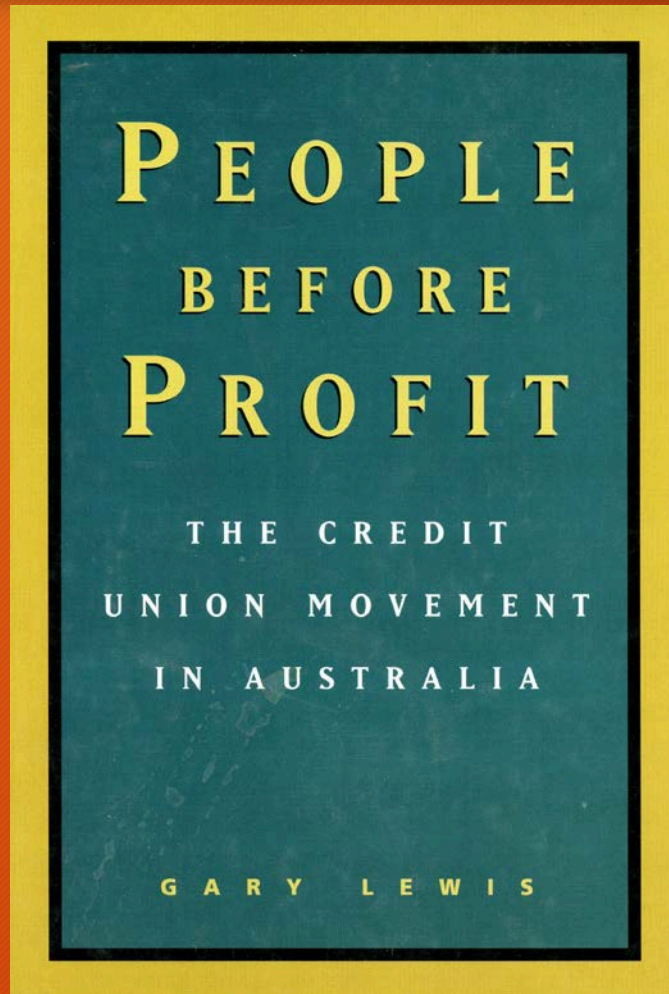
Sitting (from left): Bob Page (ICUD), John McIntyre (AICUM), Terry Fitzgerald (CUSCAL), Gary Lewis

Standing (from left): Tom Kelly (ACUHC), Jack Coyne (CUSCAL appointee), Ian Larsson (Interlink)



Gary Lewis & Graham Loughlin outside 59 Buckingham Street, Surry Hills, on the opening of the new ACUHC office in 1996. Australian Mutuals History still operates out of 59 Buckingham Street

# People Before Profit: The Credit Union Movement in Australia (1996)



## History in the making

For 22 months historian Dr Gary Lewis waded through mounds of information piecing together the Credit Union Movement's history in Australia. Now on the eve of the release of the history *People Before Profit: The Credit Union Movement in Australia*, Gary Lewis recalls how the book came together.

The Cooperative Movement isn't new subject matter for Gary Lewis. As a trained historian from Sydney University and the Australian National University, he completed his Doctorate on the history of Australian cooperatives. Over the 10 years in which he researched his PhD, a vast amount of information on cooperatives and credit unions was amassed. The resultant thesis, *A Middle Way - Rochdale Co-operatives in New South Wales* was published, and this, in conjunction with his next book, *An Illustrated History of the Riverina Rice Industry*, soon earned him a reputation as Australia's leading cooperative historian.

On the basis of this reputation, CUSCAL Executive General Manager Graham Loughlin contacted Lewis in September 1994, and broached with him the idea that the Credit Union Jubilee in 1996 would be the perfect occasion to release a narrative history of the Movement in Australia. Lewis began work on the project that month.

Having collected considerable data on credit unions in researching cooperatives in general, Lewis already had an overview of the Movement's history. This background, combined with the information that had already been collected by the Australian Credit Union Historical Co-operative, meant that the majority of the history didn't have to be unearthed, just sifted through and deciphered. 'This proved to be a mixed blessing,' says Lewis. 'It was top quality material but at the same time it was difficult to get through it all in the time available.' Fortunately, Lewis had previously interviewed key figures in the Movement such as Kevin Yates, and this information was supplemented with the interviews that the

Historical Co-operative had conducted over many years.

While Lewis was researching the book, he spent hours bent over a photocopier in the Historical Co-operative, which was then housed in the Railway Institute in Surry Hills. The upkeep of the Institute had been neglected over time, and while Lewis pored over books, articles, newspaper clippings, correspondence, photographs and interview transcripts, the building rang out with the sound of tradesmen completing renovations. The venue was not without its interruptions or distractions but as that was where the vast majority of historical material was stored, the only thing to do was plough on, regardless of any other outside activities.

Lewis worked long hours tracking the history of Credit Union Movements in each State of Australia. 'The Movements of each State have their own peculiarities and weaknesses, and the information available on each varied dramatically. For example, there was virtually no informa-

tion at all on the Movement in Western Australia available in the eastern states. I had to go to Western Australia and retrieve the minutes of the WA Credit Union League from a safe in the Fire Brigades Employees' Credit Union,' Lewis said.

Lewis pieced each state's history together through the laborious process of cutting and pasting information together which related to the same themes. In the process of sifting through the information, Lewis's study became a sea of paper, with piles of information of varying heights, depending on the subject, spread around the room.

The tight schedule which Lewis had to follow to complete the history did not allow him the opportunity to conduct many extensive interviews with members of the Credit Union Movement. Fortunately, the Historical Co-operative had already assembled an impressive collection of interviews, saving much time. But these had to be treated cautiously. 'The



At times Lewis was spending more than 70 hours a week researching the book.

Article in Australian Credit Union Magazine, August 1996. The article reads in part:

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at Bicentennial Park, situated next to the future Olympic site.

The Winston Churchill Trust was established to raise public subscriptions to help Australians pursue their studies overseas. It is open to anyone and special qualifications are not necessary—just a worthwhile pursuit that will be enhanced by overseas study.

As National President of Silent Hearts, Stone's need for travel is obvious. Already he has presented scholarly papers at various conferences. He will now be leaving for the USA, Finland and the United Kingdom to further his research on this worldwide issue that he feels has received little attention until now.

Stone has been a staff member at Berrima District Credit Union for over 12 years and invites anyone interested in further information to contact him.

## Review

*People Before Profit: The Credit Union Movement in Australia* written by Gary Lewis, Kent Town, South Australia, Wakefield Press.

*People Before Profit: The Credit Union Movement in Australia* is a welcome addition to the body of co-operative movement studies to which Canberra historian, Dr Gary Lewis, has contributed substantially.

All those who have the well-being of credit unions at their heart, will be grateful to Credit Union Services Corporation for commissioning Dr Lewis's work for the 50th anniversary celebrations of Australian credit unions.

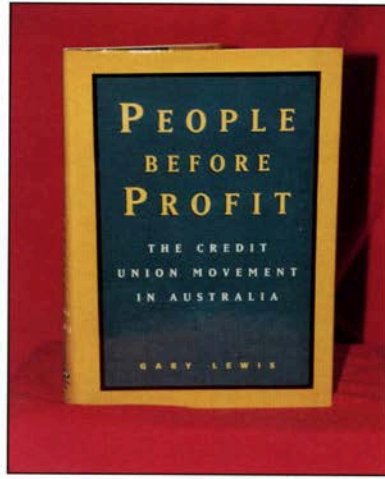
There will also be warm appreciation of the role of the Australian Credit Unions Historical Co-operative Society whose foresight in promoting the collection of credit union records and oral history has largely provided

Dr Lewis with his raw material.

As with Dr Lewis's earlier studies, *A Middle Way: Rochdale Co-operatives in New South Wales 1859-1986* (1992) and *An Illustrated History of the Riverina Rice Industry* (1994), *People Before Profit* provides a fascinating historical account of how ordinary Australians have been able to meet pressing social needs through the establishment of co-operatives.

Just as the original Schulze-Delitzsch and Raiffeisen credit unions in Europe emerged in response to a need for carry-on finance on the part of small farmers in the last century, so Australian credit unions were effectively—if by no means exclusively—a response by house-holders in the 1950s and 1960s to fill a void in the availability of affordable consumer finance.

Dr Lewis clearly shows how, at that time, householders were able to obtain their home loans at interest rates which, by current standards, were almost laughably low, but were exploited with exorbitant interest rates by hire purchase companies and other finance bodies when it came to putting coverings on the



floors, a refrigerator in the kitchen or a car in the garage.

In general, credit unions emerged where families in Catholic parishes rejected the hire-purchase system in favour of pooling their savings, and taking turns to borrow from the pool at interest rates they could afford.

The attractiveness of the model for neighbouring households, which were not necessarily Catholic, then brought about the establishment of community credit unions based on the common bond of where people lived, and industrial credit unions whose bond was working in the same workplace or industry.

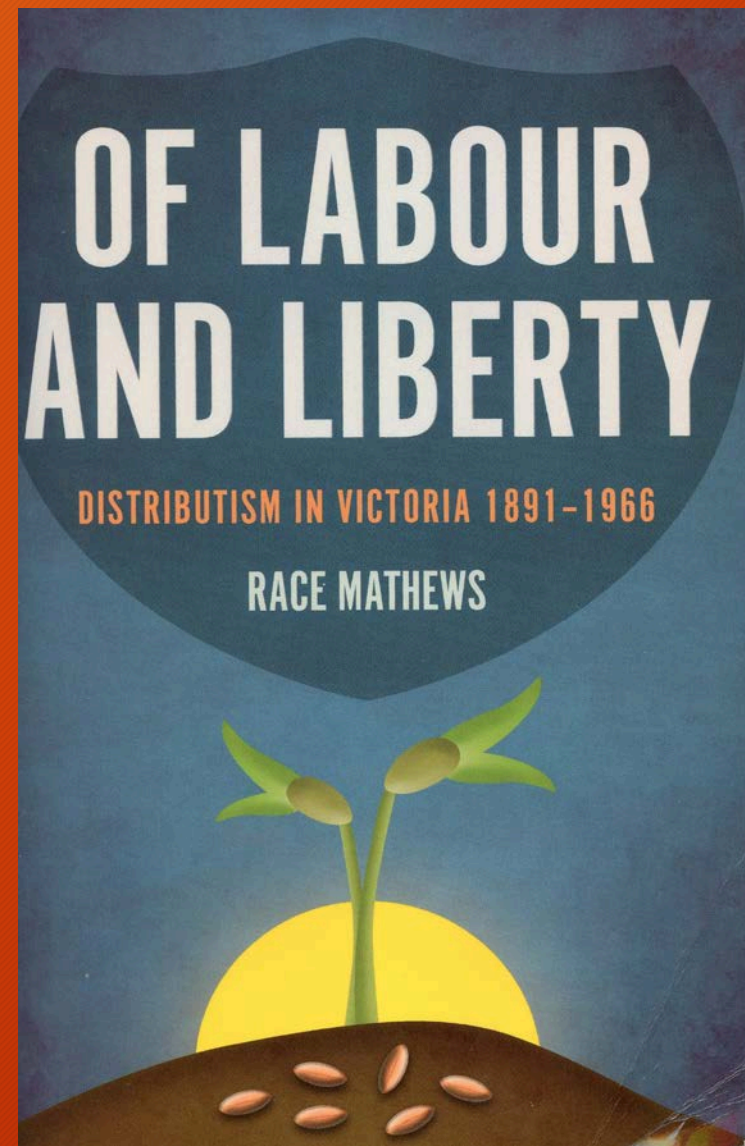
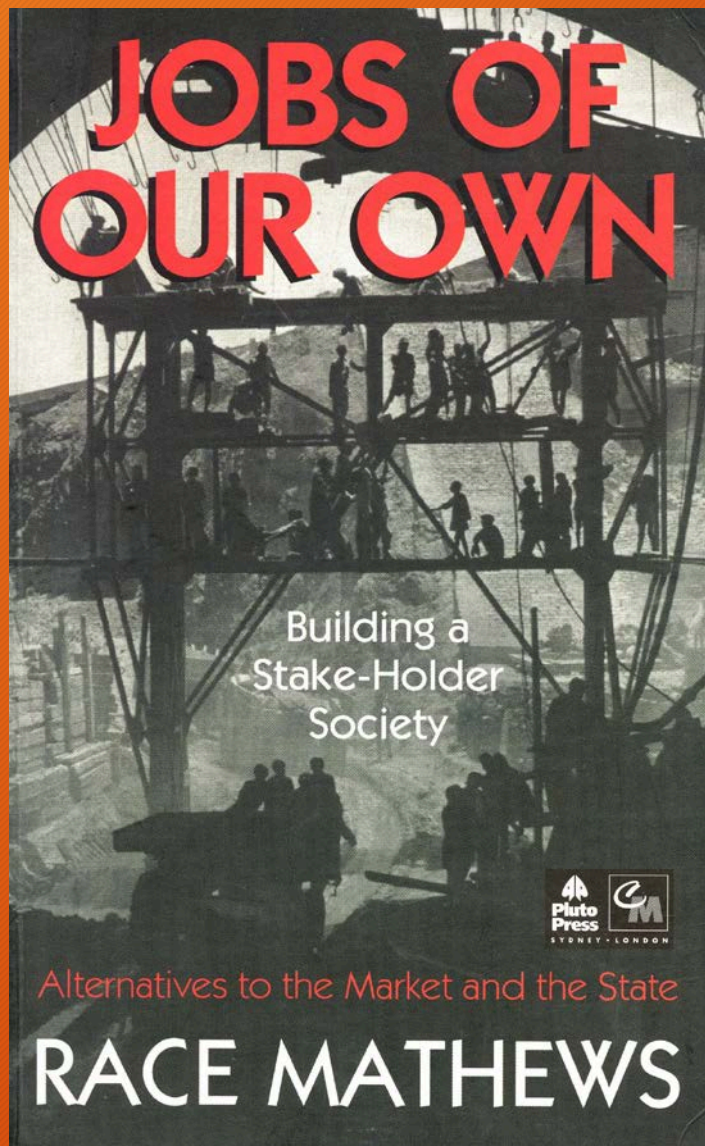
“  
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”

Race Mathews gave a positive review of *People Before Profit* in the June edition of *Directions Magazine*. He wrote in part ...

*“Dr Lewis clearly shows how, at that time, householders were able to obtain their home loans at interest rates which, by current standards were almost laughably low, but were exploited with exorbitant interest rates by hire purchase companies ... when it came to putting coverings on the floors, [buying] a refrigerator [etc] ... In general, credit unions emerged where families in Catholic parishes rejected the hire-purchase system in favour of pooling their savings”*

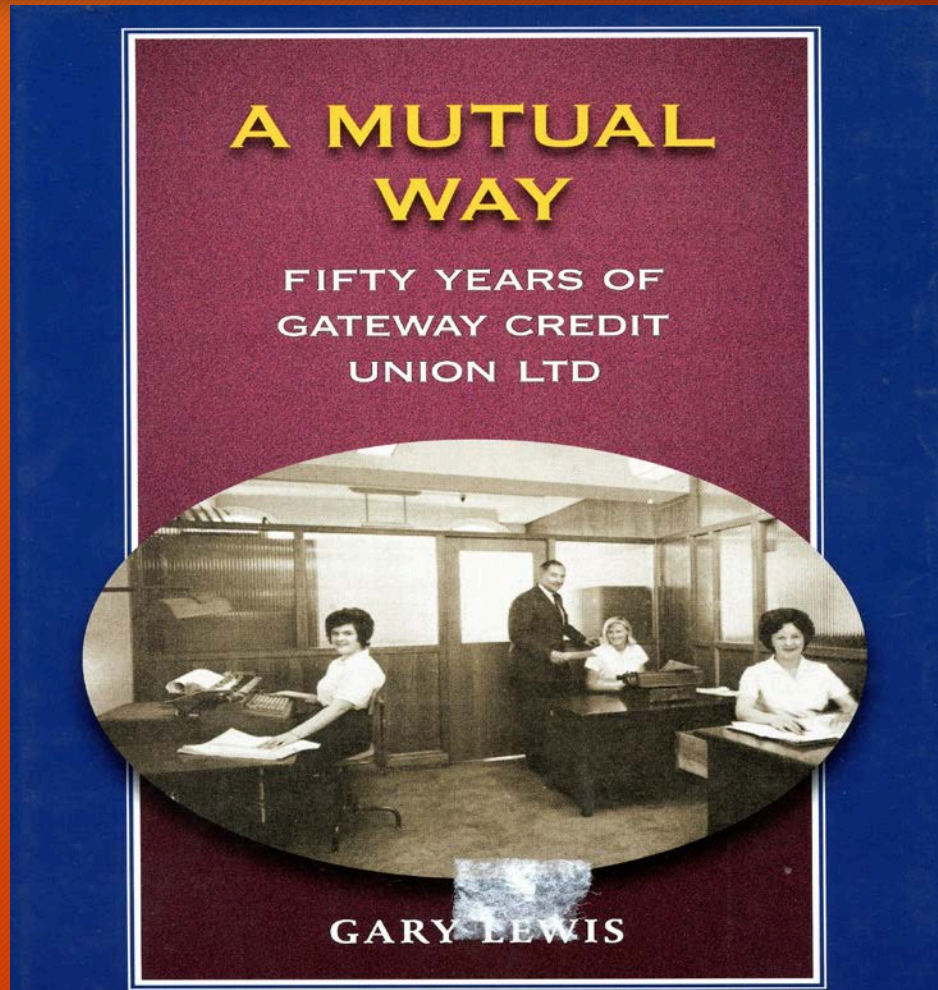


Gary Lewis and Race Mathews at the  
1997 Australian Credit Union  
Archives AGM



*"Jobs of Our Own draws on the legacies of Christian socialism, social Catholicism, mutualism, associative democracy and civil society for a new "evolved distributism" vision of society. It sees common ground between distributism and mutualist bodies such as mutual assurance societies, building societies, co-operatives and credit unions"*

# A Mutual Way: Fifty Years of Gateway Credit Union (2005)






Neville Lean, 1964  
*Director of CBOA Credit  
Union Co-op, 1961-1967*

*A Mutual Way* is the story of Gateway Credit Union. Today Gateway Credit Union trades as Gateway Bank.

The credit union began in 1955 as CBA Staff Co-operative, ironically for the staff and families of the Commonwealth Bank and the Reserve Bank as staff of the Commonwealth Bank couldn't open accounts with the bank.

Lewis' book charts the birth of the credit union and its ups and downs right up to its 50<sup>th</sup> anniversary in 2005.



In 2017 Dr Lewis was still offering public advice on credit unions, the mutual banking sector and co-operatives more broadly. In a 2017 letter Dr Lewis wrote, “It is arguable that post GFC prudential regulations, in particular capital adequacy arrangements, whilst timely and wise, have had the unintended effect of hampering the development of customer-owned banks (COBA) relative to for-profit competitors insofar as mutuality fits uncomfortably within the framework, thereby reducing choice for consumers and impacting competition, particularly in the housing mortgage market”