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## FORMER MERCANTILE BANK



BANK OF MELBOURNE  
SOHE 2008



1 mercantile bank collins  
street melbourne front view

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### Location

345-349 COLLINS STREET MELBOURNE, MELBOURNE CITY

### Municipality

MELBOURNE CITY

### Level of significance

Registered

### Victorian Heritage Register (VHR) Number

H0467

### Heritage Overlay Numbers

HO603

### VHR Registration

May 21, 1980

### Heritage Listing

Victorian Heritage Register

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### Statement of Significance

Last updated on - November 4, 1999

What is significant?

The former Mercantile Bank at 345-349 Collins Street, was constructed in 1888 to a design by William Salway in conjunction with Gerard Wight and William Lucas. It was built of brick and concrete with a rendered facade incorporating polished granite at the base. Its five storeys and basement were originally crowned with a dome and flanking French-style high-pitched roofs. These were replaced by a simple pitched roof during substantial 1923 alterations.

How is it significant?

The former Mercantile Bank is of historical and architectural significance to the State of Victoria.

Why is it significant?

The former Mercantile Bank is of historical significance as a reminder of the 1880s land boom and subsequent collapse, a period of immense political and economic significance in Victoria's history. The building is the last remaining land bank in Collins Street from the 1880s boom. It was originally built as the head office of the Mercantile Bank, a typical boom-era institution run by influential men with questionable business ethics, and fuelled by profits from land speculation. The trials and political controversy following the collapse of the Bank in 1892, under the chairmanship of Sir Matthew Davies, speaker of the Victorian Legislative Assembly, made for some of the most dramatic events and scandalous news in the post-land boom period.

The former Mercantile Bank is of architectural significance because it typifies the architectural extravagance of the land boom period. The building's boom-style classicism is a combination of mannerist and baroque influences all assembled with a typical Victorian eclecticism and boom-era extravagance. The largely intact facade is a reminder of the flamboyance, not to mention recklessness, of a period that had profound effects on the built fabric and political culture of Melbourne.

## Permit Exemptions

### General Exemptions:

General exemptions apply to all places and objects included in the Victorian Heritage Register (VHR). General exemptions have been designed to allow everyday activities, maintenance and changes to your property, which don't harm its cultural heritage significance, to proceed without the need to obtain approvals under the Heritage Act 2017.

**Places of worship:** In some circumstances, you can alter a place of worship to accommodate religious practices without a permit, but you must [notify](#) the Executive Director of Heritage Victoria before you start the works or activities at least 20 business days before the works or activities are to commence.

**Subdivision/consolidation:** Permit exemptions exist for some subdivisions and consolidations. If the subdivision or consolidation is in accordance with a planning permit granted under Part 4 of the *Planning and Environment Act 1987* and the application for the planning permit was referred to the Executive Director of Heritage Victoria as a determining referral authority, a permit is not required.

Specific exemptions may also apply to your registered place or object. If applicable, these are listed below. Specific exemptions are tailored to the conservation and management needs of an individual registered place or object and set out works and activities that are exempt from the requirements of a permit. Specific exemptions prevail if they conflict with general exemptions.

Find out more about heritage permit exemptions [here](#).

### Specific Exemptions:

Pursuant to Section 66(1) of the Heritage Act (1995) and in respect to the above-mentioned place / object, the Executive Director hereby DECLARES EXEMPT THE OWNERS NEED TO OBTAIN A PERMIT TO CARRY OUT

ANY OF THE FOLLOWING ALTERATIONS OR CLASS OF ALTERATIONS, SUBJECT TO ANY CONDITIONS PRESCRIBED HEREUNDER:

Replacement of existing signage

CONDITIONS:

- 1.Replacement signage is not to be any larger than the existing signage.
- 2.Any new signage shall be the same material as the existing signage.
- 3.Approved works or activities are to be planned and carried out in a manner which prevents damage to the registered place / object. However, if other previously hidden original or inaccessible details of the object or place are uncovered, any works that may affect such items shall immediately cease. The Executive Director shall be notified of the details immediately to enable Heritage Victoria representatives to inspect and record the items, and for discussion to take place on the possible retention of the items, or the issue of a modified approval.
- 4.If there is a Conservation Policy and Plan approved by the Heritage Council or Executive Director, all works and activities shall be carried out in accordance with the Policy and Plan.
- 5.Nothing in this Declaration prevents the Executive Director from amending or rescinding all or any of the permit exempt alterations provided work has not commenced on the alteration.

Construction dates	1888,
Architect/Designer	Salway, William,
Heritage Act Categories	Registered place,
Other Names	BANK OF NEW ZEALAND, BANK OF MELBOURNE, MERCANTILE BANK,
Hermes Number	732
Property Number	

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## History

Contextual History:History of Place:

The Bank of Melbourne building was originally built as the head office of the Mercantile Bank. The Mercantile Bank was established in 1877 under the name The Australian Economic Bank Limited. In 1885 the name was changed to the Mercantile Bank after a take over by Sir Matthew Davies and his associates, and the nominal capital increased from 500,000 pounds to 1,000,000 pounds. The bank engaged in the typical activities of the speculative land banks of the 1880s until dozens of land companies both inside and outside the Davies group ran into trouble, dragging the Mercantile down with them. Scandalous mismanagement of the bank's affairs soon came to light and the directors, including Davies, and managers were charged with issuing a false and fraudulent balance sheet. Davies' friends in the political establishment, including Thomas Bent, tried to thwart a trial, and political scandal soon engulfed the financial scandal. Claim and counter-claim animated court proceedings over two years, government members clashed and the Solicitor-General resigned; magistrates complained of intimidation; Sir Matthew Davies and his wife fled to Colombo where they were arrested and returned to Melbourne to face the court. Eventually, in February 1894, three of the original figures associated with the bank, including Davies, were acquitted of issuing a false balance sheet. Cannon, in his book "The Land Boomers" concluded: "the members of the jury retired for an hour and a quarter, and returned to announce that they found all the defendants not guilty. Did they decide on the evidence? Did they feel sympathy at last towards Sir Matthew Davies in his long agony? We shall never know. One thing was certain. In those wonderful days of untrammelled banking, it was no crime to borrow 100,000 pounds, use it to declare and 8 per cent dividend one

month, and close down for lack of cash the following month".

The building was acquired by the Bank of New Zealand in 1910 and was to be subject to at least one more remarkable event. In October 1943, a military aircraft flying over the city accidentally dropped a belly fuel tank which plummeted through a first floor cupola of the bank, exploding in the banking chamber and starting a fire which destroyed most of the chamber and caused damage to other floors.

Associated People: Assoc.People SIR MATTHEW DAVIES, SIR GRAHAM BERRY, Wight & Lucas;

## **Extent of Registration**

Historic Buildings No. 467 Former Mercantile Bank - Later known as Bank of New Zealand and (now R.E.S.I. Permanent Building Society), 345-349 Collins Street, Melbourne. (To the extent of the total external fabric of the building.)

[*Victoria Government Gazette* No. 35 21 May 1980 p.1560]

*This place/object may be included in the Victorian Heritage Register pursuant to the Heritage Act 2017. Check the Victorian Heritage Database, selecting 'Heritage Victoria' as the place source.*

*For further details about Heritage Overlay places, contact the relevant local council or go to Planning Schemes Online <http://planningschemes.dpcd.vic.gov.au/>*