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Banks To Share Computer

Courier cars will next month start collecting cheques at nights from dozens of bank branches for delivery to a new computer centre at Hornby.

While the bookkeepers sleep, the computer will digest the details of all cheques processed by the branches of two major trading banks throughout Canterbury and Westland and balance their books before the branches open for business again the next day.

Called Databank Systems, Ltd, the computer centre will be shared by the Bank of New Zealand and the National Bank. It has been sited at Hornby for easy access by the courier cars, and will start work on August 9.

Similar centres are already used by the two banks at Auckland, Wellington, Te Rapa and Hamilton. The Hornby computer will process cheques delivered from as far north as Blenheim, as far south as Waimate and from the West Coast.

By the time the centre opens next month, all cheques used by customers of both banks will have details printed in computer language along the bottom. The line of letters and figures will be printed in magnetic ink so that the computer can read it. The only fact missing will be the amount for which the cheque is written, and this will be printed on each cheque as it arrives at the computer centre.

A single-storey, concrete-block building, the computer centre covers about 30,000 sq. ft and houses an I.B.M. sys-

tem 360-30 computer.

Staff are being recruited now, and will be trained by experts from the other centres. When the centre is running at full capacity it will have a staff of 50 working three processing shifts. Ultimately the computer will work 24 hours a day. It will perform all bookkeeping functions of both banks, including the keeping of the customers' accounts and banks' own accounts.

"No-one To Be Sacked"

Although the computer will take over the work of many humans, no-one is to be sacked. "The Databank centre will release many of the bank staff from routine functions so that they can give better customer service," said Mr E. J. White, who will manage the computer centre.

The confidential nature of each bank's records would be maintained.

"This network of data-processing centres could lead to New Zealand having the finest automated banking system in the world," Mr White said.

Both banks would like to extend the use of computers to "on-line" processing, using landlines for direct communication between branches and the computer centre. Six experimental terminals would soon be installed in branches in Wellington to see how effective such a development would be.

A decision to install terminals at all branches now served by computer centres would depend on the result of the Wellington experiment, the estimated cost and the capacity of the Post Office's reticulation.

The Databank computer is one of only a handful of computers in Christchurch. Computer salesmen say that Christchurch is not yet a computer town because of the large number of small businesses and the small number of company head offices.

Users fall into two categories—businesses which need to process a large amount of information at high speeds, and organisations which require more computing capacity with less emphasis on fast processing of voluminous information.

Manufacturers and large retail organisations need the first kind of computer for invoicing, statements, remittance advice notices, etc., and the second kind is used by scientific organisations and by commercial firms for stock control.

International Business Machines, which produced the computer to be installed at the Databank centre, has now sold 12 computers in Christchurch and has another on order. It uses one in its own computer bureau. Another computer bureau is owned by a co-operative of major users. Called the Computer Bureau, Ltd, it was formed three years ago by two Christchurch accountancy firms. Its computer was made by International Computers and Tabulators, Ltd, which has now changed its name to International Computers, Ltd. Claimed to be the most powerful computer in the South Island, it has 15 regular users and a dozen more who use it less frequently.

The bureau computer works day and night, and some firms bring their work in the evening and pick up the results the next morning. They may use the bureau's staff of 23, or their own operators. Most of the work handled by the bureau is the processing of pay-rolls, creditors' and debtors' records, departmental accounting, invoicing and stock reports.

Among its achievements have been ionospheric research for the Department of Scientific and Industrial Research, critical path analysis for construction firms, establishing a stock-food mix for a manufacturer, and structural engineering calculations.

Traffic Analysis

At present the bureau's computer is doing a traffic analysis for the Christchurch Regional Planning Authority. Last year it worked out the rate demands for all property owners in the Christchurch, Riccarton and Paparua areas, plus the electoral roll for the Waimairi County.

The encoding equipment which will print the magnetic ink characters on cheques and deposit slips at the Databank computer centre was in-

bank computer centre was installed by the National Cash Register Company. This company recently sold a computer to a large Christchurch factory and will install it early next year.

Burroughs, Ltd, has also sold computers in Christchurch. No big ones have been sold here, but the company has supplied a number of visible record computers to process such documents as statements, wage records and credit notes. They have the computing power of larger systems and the facility to print and store information on ledger cards.

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