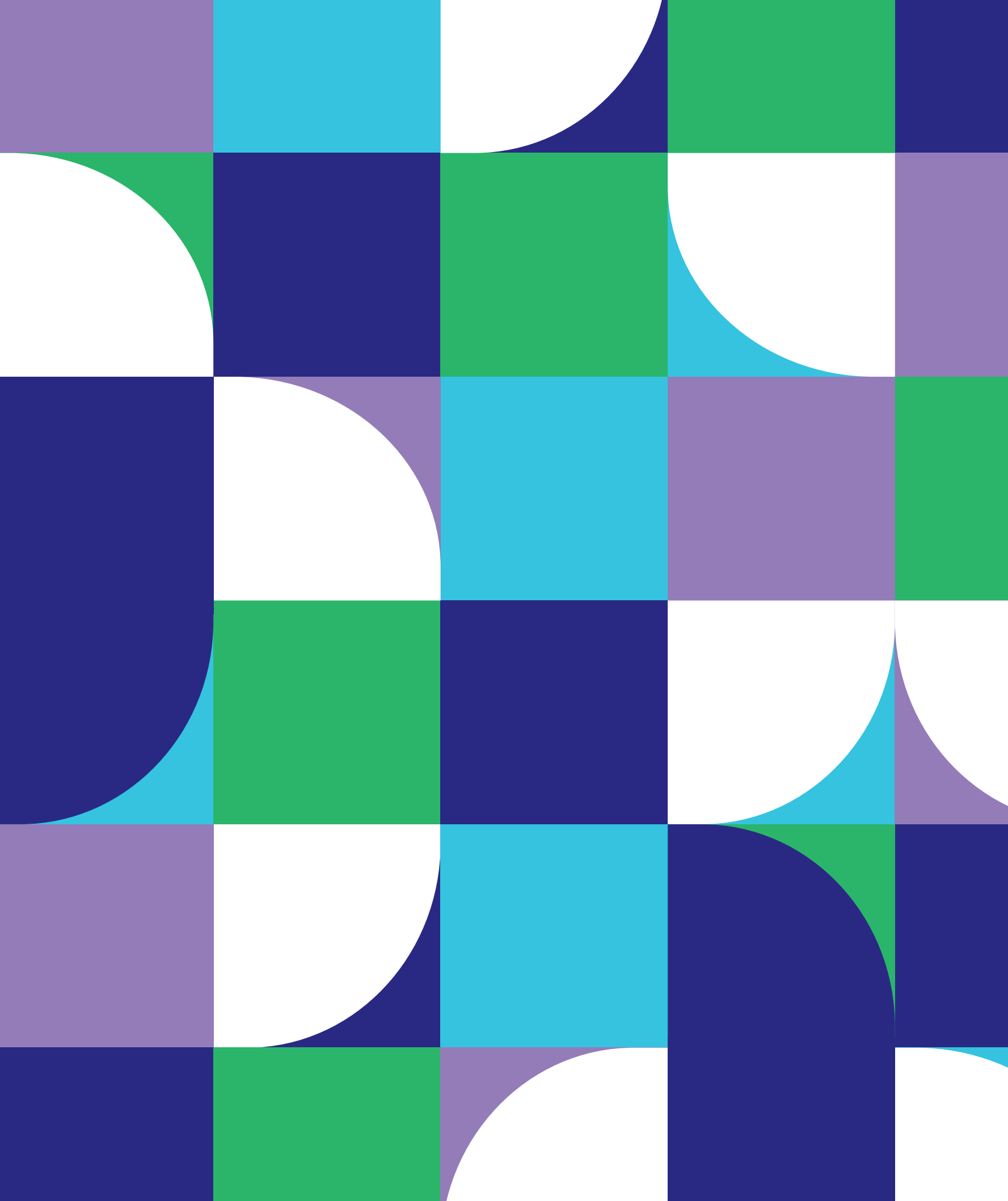




150 Years of  
Purpose-Driven  
Banking









150 Years of  
Purpose-Driven  
Banking





## Introduction

Australian banking is defined by constant evolution.

Some changes are bigger than others. The merger of Heritage Bank and People's Choice Credit Union to form People First Bank was one of those – a coming together of two customer-owned banks with a simple mission: people first.

The path to this merger wasn't always easy. Change, even the good kind, can bring uncertainty. But shared values and a strong commitment to customers made this partnership possible – and a historic one at that.

For loyal customers Rob and Anne Scott, the proposed merger wasn't just a headline – it was personal. As long-time Heritage customers, they wanted to make sure their new bank would give them the same service they had come to expect.

'You can't grow at the expense of your customers. That's the crux of it for me,' says Anne, who still treasures her original five-digit account number from 1979.





**Opposite** Rob and  
Anne Scott, 2025.

In mid-2022, the couple headed south from Queensland for a holiday, but they had more than sightseeing on their minds. They went ‘undercover’, popping into People’s Choice branches around Adelaide and Glenelg. Rob took note of the layouts, atmosphere, and most importantly, the customer service. What he discovered delighted him. ‘You can talk one-on-one over the counter. You can sit in a private office. It was still the same personal service,’ he says. ‘I felt like I’d walked into a Heritage branch.’

Rob and Anne’s secret mission confirmed what both Heritage and People’s Choice knew – this merger was built on shared values and a commitment to people. It gave loyal customers confidence that the service they relied on would not just survive, but thrive. On 16 November 2022, the couple voted ‘yes’ to the vision of a united customer-owned bank.

On 1 March 2023, Heritage Bank and People’s Choice Credit Union officially joined forces, creating Australia’s largest customer-owned bank. Peter Lock, the inaugural CEO, called it ‘a milestone moment for the Australian banking sector’.

While People First Bank’s story had just begun, its roots go back to 1875. It’s built on the strong foundations of two of Australia’s most trusted customer-owned banks. Both had loyal customers and employees who stuck by them through thick and thin, often for decades. They wanted to make sure that as the organisations moved forward, they kept the values that made them special.

The creation of People First Bank was guided by this simple principle: honouring the legacy of both institutions while embracing the potential for positive change.

In the pages ahead, we’ll explore the rich histories of Heritage Bank and People’s Choice Credit Union. We’ll meet the people who have shaped these institutions, from founding members to long-serving employees and loyal customers. And we’ll look to a future they’ve come together to build.

Welcome to the story of People First Bank – where banking is personal and purposeful, and people always come first.



# Contents

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## Part One: Heritage Bank

Introduction	ii
<b>CHAPTER ONE</b>	
Foundations in the Darling Downs	1
<b>CHAPTER TWO</b>	
Weathering Storms and Fostering Growth	10
<b>CHAPTER THREE</b>	
The Great Australian Dream	18
<b>CHAPTER FOUR</b>	
From Rivals to Partners: Heritage Building Society	26
<b>CHAPTER FIVE</b>	
Innovation in Community Banking	32
<b>CHAPTER SIX</b>	
Putting People First	40
<b>CHAPTER SEVEN</b>	
Navigating Change and Challenges	46
<b>CHAPTER EIGHT</b>	
A Force for Positive Change	50





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## Part Two: People’s Choice

<b>CHAPTER NINE</b>	
Foundations in Public Service: Savings and Loans	59
<b>CHAPTER TEN</b>	
A Legacy of Mergers: Australian Central Credit Union	66
<b>CHAPTER ELEVEN</b>	
Growth Through Unity: People’s Choice	72
<b>CHAPTER TWELVE</b>	
Beyond Borders	78
<b>CHAPTER THIRTEEN</b>	
The Human Touch in Banking	82
<b>CHAPTER FOURTEEN</b>	
A Commitment to Community	86
<b>CHAPTER FIFTEEN</b>	
Building the Future of Banking	94

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## Part Three: People First Bank

<b>CHAPTER SIXTEEN</b>	
A Merger of Vision	101
<b>CHAPTER SEVENTEEN</b>	
Building People First Bank	106
<b>EPILOGUE</b>	
Reflections on a Banking Revolution	112





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PART

E



N

Heritage  
Bank



## CHAPTER ONE

# Foundations in the Darling Downs

One evening in 1775, a group of working-class men met in a tavern in the English city of Birmingham. They weren't just there for a pint – they were there to change their financial futures. Led by Richard Ketley, the landlord of the Golden Cross Inn, they formed what would become the world's first building society.

Richard's idea was simple yet revolutionary: members would pool their savings so they could buy or build homes that they could not otherwise afford. This concept of mutual self-help quickly spread across England and to Australia.

### **Toowoomba Permanent Building Society**

A century later, in the growing town of Toowoomba, Queensland, a similar scene unfolded. One evening in November 1874, local businessmen and community leaders met in the School of Arts building, where the Town Hall now stands, to set up the Toowoomba Permanent Benefit Building and Investment Society (Toowoomba Permanent for short). In April 1875, it was officially registered by the state government.



## New homeowners would stimulate local markets, purchase regional produce, and generate construction work, thereby strengthening the entire local economic ecosystem.

William Henry Groom, a big name in local politics and owner of the *Toowoomba Chronicle* newspaper, was among them. William recognised a critical gap in the financial landscape: banks in Sydney controlled much of Queensland's economy, frequently directing investments away from regional areas like Toowoomba.

In an impassioned editorial, William articulated his vision for the building society. He wrote:

*(It) gives an industrious man an excellent opportunity to shake himself... free of his landlord... [It] causes increased demands among our agricultural friends for their farm and garden produce. Then the building of new dwellings facilitates increased demands for carpenters, joiners, stonemasons, bricklayers, painters, and all the other trades... Work becomes plentiful, trade brisk...*

The concept was transformative. Building societies offered working people a pathway to escape rental cycles and

become property owners. By encouraging personal sacrifice and community investment, these societies created an economic ripple effect. New homeowners would stimulate local markets, purchase regional produce, and generate construction work, thereby strengthening the entire local economic ecosystem.

When William became Toowoomba Permanent's first chairman, he found that bringing this vision to life would be no small task. Managing finances proved complex, with the organisation navigating constantly shifting regulatory environments and interest rates. The drought of the late 1870s and the subsequent economic downturn forced the society to reduce interest rates for non-borrowing investors, creating internal tensions.

Yet Toowoomba Permanent persevered. By maintaining rigorous loan assessment processes and prioritising a personal approach, the organisation survived more successfully than its urban counterparts.





## A moment in time

Taverns and coffee houses were vital for fostering social connections and financial ventures during the 18th century. The Golden Cross Inn in Birmingham served as a social hub and convening place for various clubs and societies.

**Left** The Golden Cross Inn, Birmingham, c. 1920.



## From convict to politician: William Henry Groom

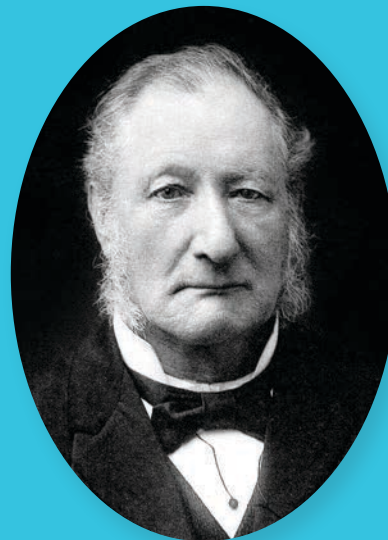
The first chairman of Toowoomba Permanent had an extraordinary past. William Henry Groom's journey from convicted criminal to respected politician and community leader showcases the opportunities of colonial Australia.

## Early troubles

Convicted of theft at thirteen years old, William was sentenced to seven years in 1846 and transported from England to Australia. After receiving a conditional pardon in 1849, he worked as a shop assistant and wrote for the *Bathurst Free Press* and *Mining Journal*. A second conviction for stealing gold in 1854 led to three years of road labour – but this proved a turning point in his life.

## A fresh start in Queensland

Moving to Queensland after his release, William established himself in Drayton as a storekeeper and auctioneer. He married Grace Littleton in 1859, and when Toowoomba became a municipality the following year, he saw an opportunity to serve his community.



**Left** William H Groom, first chairman of the Toowoomba Permanent Building Society Board, 1874–1901.





**Above** The Toowoomba Chronicle Office, 1894.

**Below** JH Robertson, second chairman of the Toowoomba Permanent Building Society Board, 1901–1904.



## Building a legacy

William's influence grew rapidly. Elected as Toowoomba's first mayor in 1861, he went on to win five more terms. His political career flourished – he held his seat in the Queensland Legislative Assembly almost continuously from 1862 until the first Australian Federal Parliament in 1901, an unmatched record in Queensland politics at the time.

In 1874, he purchased a share in the *Toowoomba Chronicle*, becoming sole proprietor two years later. The newspaper grew into the most influential publication on the Darling Downs under his leadership.

Known as leader of the 'Darling Downs bunch' in parliament, William championed agricultural interests in southern Queensland. He helped establish several vital institutions including the Toowoomba Permanent Building Society, Clifford Park Racecourse Toowoomba and the Toowoomba School of Arts.



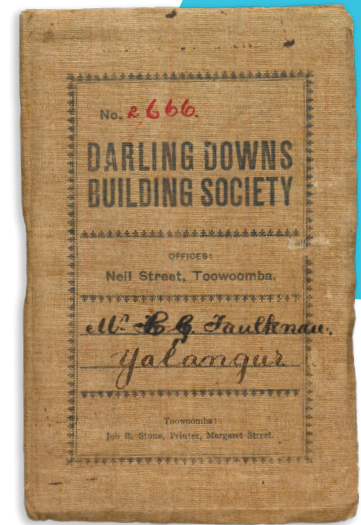






**Right** Darling Downs Building Society passbook, 1918.

**Left** Darling Downs Building Society on Neil Street, Toowoomba, 1917.



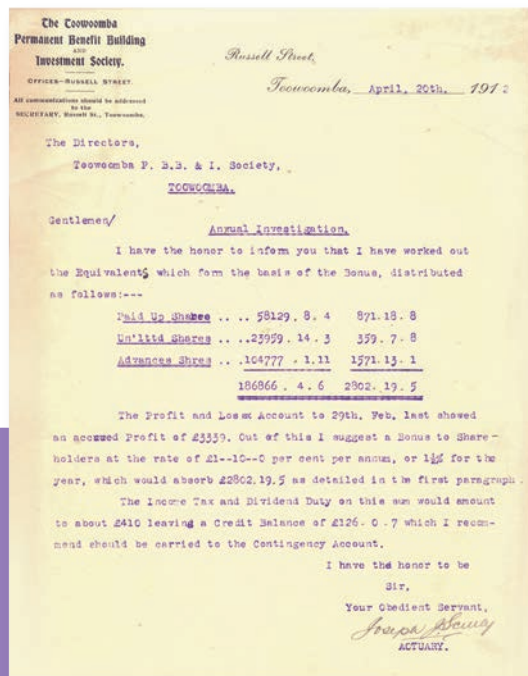
## Darling Downs Building Society

As Australia entered the twentieth century, building societies shaped the future of regional banking. While traditional banks focused on wealthy investors, these societies offered ordinary Australians a path to home ownership.

In 1897, the Darling Downs Permanent Building and Investment Society (Darling Downs Permanent for short) entered an already competitive market. The newcomer brought fresh energy and bold ambitions, quickly establishing agencies in rural towns like Allora, Pittsworth, Dalby and Miles. Its advertising was frequent and eye-catching, actively pursuing new customers across the region.

Toowoomba Permanent took a more measured approach. Ranked third-largest among Queensland's thirteen building societies, it maintained its reputation for careful assessment of loans and steady progress. Like a wise farmer watching the weather, it preferred to grow its assets slowly but surely.





The timing proved perfect for Darling Downs Permanent. The region was transforming – new railway lines opened up the countryside while refrigeration technology revolutionised agriculture. Wheat farming and dairy replaced traditional pastoral activities, bringing fresh prosperity.

By 1908, Darling Downs Permanent had become Queensland's second-largest building society, behind only Brisbane's City and Suburban Society. Six years later, it claimed the top spot. Meanwhile, Toowoomba Permanent continued its steady growth, benefiting from the city's expansion.

Toowoomba flourished between 1897 and 1913 as the population surged from 7000 to more than 13,000. Banks, businesses, newspapers and hotels lined its streets. In 1904, it became Queensland's fifth-largest city, after Brisbane, South Brisbane, Rockhampton and Townsville.

Rivalry between the building societies ultimately benefited local residents. Whether someone preferred Toowoomba Permanent's careful, personal approach or Darling Downs' more dynamic style, there was a society to suit their needs.



**Far left** Toowoomba  
Permanent bonus letter, 1912.

**Left** Ruthven Street,  
Toowoomba, 1900s.

## Emily Stephens: breaking the glass ceiling

The different approaches of the two societies extended beyond their business strategies. In 1910, when Toowoomba Permanent needed a new assistant secretary, its directors refused to even consider a female applicant. Yet across town, at Darling Downs Permanent, Emily Stephens had been serving as assistant secretary for years.

Her appointment was revolutionary. At a time when women rarely held positions of responsibility in financial institutions, Emily became one of the first women appointed to a senior role in any Australian building society.

Her success paved the way for other women in finance, though it would be decades before women regularly held senior positions in the industry.

## A moment in time

Building societies did more than just finance homes – they helped build stable communities. By assisting wage earners to secure their own land, they encouraged them to put down roots. A homeowner was more likely to stay in town, contribute to local businesses and help the community prosper.





## CHAPTER TWO

# Weathering Storms and Fostering Growth

When war broke out in 1914, Australia's building societies faced unprecedented challenges. Toowoomba Permanent and Darling Downs Permanent had to navigate not just economic uncertainty, but also profound social change.

Darling Downs Permanent had become Queensland's largest building society by 1914, but the war brought unexpected hurdles. New regulations affected German immigrant shareholders (classified as enemy aliens) and rising building costs stalled expansion plans.

Meanwhile, Toowoomba Permanent's cautious approach of scrutinising loan applications and focusing on local investments served it well, providing stability through the war years.

Both societies supported the war effort, promoting and managing war and peace loans.

As building costs soared during the war years, Toowoomba Permanent demonstrated remarkable adaptability. Rather than relying solely on new construction, the society came up with a creative new idea: house relocation.

Moving established homes to new sites was more affordable than new construction, so the society began financing the purchase and relocation of existing homes, making home ownership more accessible.

The initiative proved successful, allowing Toowoomba Permanent to maintain its loan portfolio in a challenging market. By 1924, it had overtaken Darling Downs Permanent to become Queensland's largest building society.



**Rather than relying solely on new construction, the society came up with a creative new idea: house relocation.**



## **A moment in time**

During World War I, Australia introduced an emergency banknote known as the 'Rainbow Pound' to address a severe currency shortage. This colourful £1 note, issued by the Commonwealth Bank in 1914, earned its nickname from its distinctive multicoloured design. Unfortunately, the design that made it quick and simple to print also made it vulnerable to forgery. When counterfeit versions began appearing, the Rainbow Pound was withdrawn after less than a year in circulation.

**Above** The Rainbow Pound, c. 1914.



## A moment in time

The term 'flat' for a housing unit comes from British English, where it is used to describe a single-level dwelling within a larger building. The word traces back to the Old English 'flett', meaning a floor or dwelling.

## Flats? What on earth are flats?

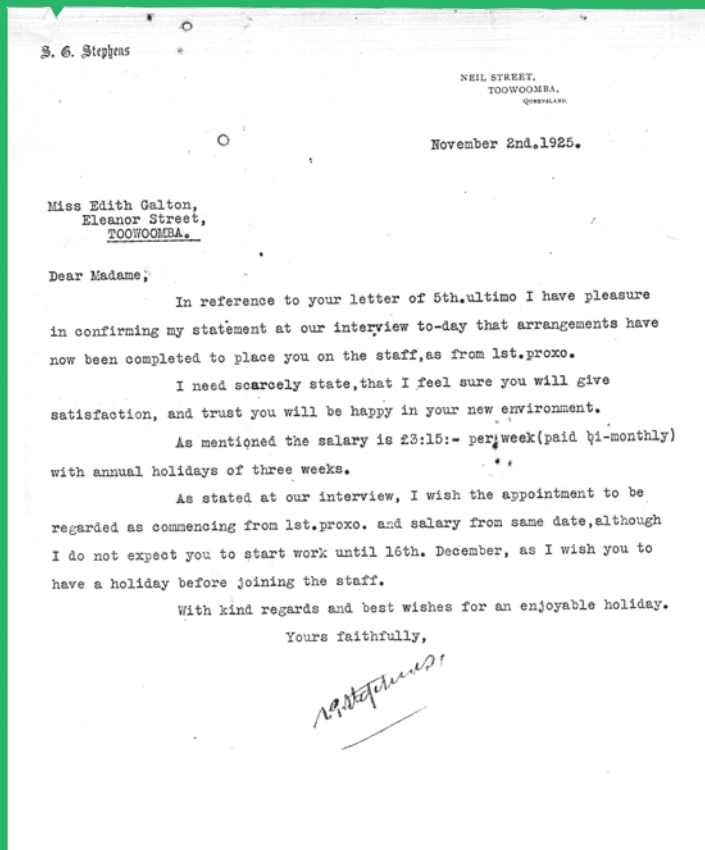
In 1926, Toowoomba Permanent was cautiously dipping its toes into the Brisbane property market when it received a loan application for a new type of dwelling called 'flats'. Apparently, these were going to provide a new way of living in the city.

Toowoomba Permanent took no chances with this unfamiliar venture. The board insisted on a flood survey and appointed an architect to oversee construction. Every detail was carefully considered before the loan was approved.

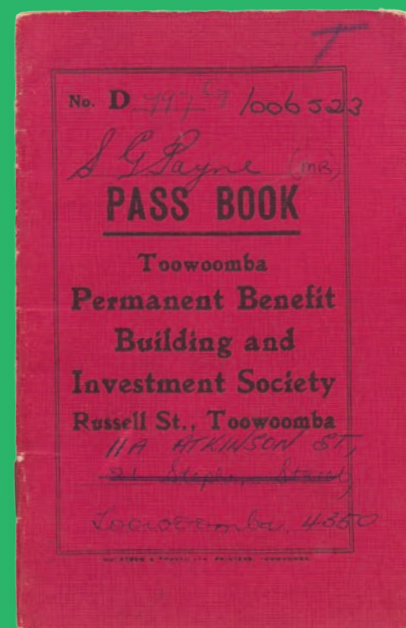
By 1928, this pioneering project had faltered due to the economic downturn, leading to foreclosure. But Toowoomba Permanent saw the bigger picture and recognised that flats represented the future of city living. As more Queenslanders moved to urban areas, the demand for apartments grew, and Toowoomba Permanent was positioned to help finance the changing face of Australian housing.



As more Queenslanders moved to urban areas, the demand for apartments grew, and Toowoomba Permanent was positioned to help finance the changing face of Australian housing.



**Above** Employment offer for Edith Galton from Darling Downs Building Society, 1925.



**Above** Toowoomba Permanent Building Society passbook, 1928.



**The Depression's impact reached far beyond balance sheets. Young couples postponed marriages and put their dreams of home ownership on hold.**



**Above** WC Peak, chairman of the Darling Downs Building Society, 1897–1939.

## **The Great Depression**

The Wall Street crash of 1929 ushered in a period of immense hardship. Toowoomba proved more resilient than many other regions. While wheat prices plunged, the local dairy industry remained stable. The city also benefited from state government public works programs that kept people employed.

Both societies faced the challenges of the Great Depression differently, guided by their distinct philosophies. Toowoomba Permanent maintained its cautious strategy, carefully managing risks in an uncertain economy. Meanwhile, Darling Downs Permanent boldly looked for opportunities to expand, even in difficult times.

The Depression's impact reached far beyond balance sheets. Young couples postponed marriages and put their dreams of home ownership on hold. Financial institutions faced the challenge of working with customers who could not meet their loan payments.



While they sometimes had to issue foreclosure notices, selling properties proved difficult when few had money to buy.

Both societies worked to help customers keep their homes. When possible, they suspended payments rather than foreclosing.

A national 'Habit of Thrift' campaign encouraged young people and those on lower incomes to save what they could. The societies also introduced profit-sharing and offered reduced interest rates for borrowers – progressive policies that helped maintain stability through the downturn.

## A moment in time

Before World War II, it was common practice for women to resign from their jobs when they married. This was known as the 'marriage bar' and was particularly strict in banking and public service roles.



## World War II: a nation transforms

By the late 1930s, both societies were seeing record deposits and loans. But the outbreak of war in 1939 brought fresh challenges to Australia's financial institutions. As materials and labour were diverted, home construction virtually ceased across the Darling Downs.

This created an unusual dilemma. While Australians continued to save, few sought loans. Building societies responded pragmatically, redirecting surplus deposits into Commonwealth War Loans – a solution that supported the war effort while providing secure returns.

The two societies maintained their distinct approaches. Toowoomba Permanent remained cautious while Darling Downs Permanent pursued opportunities in rural areas and Brisbane, reinforcing its position as one of Queensland's leading building societies.

Wartime rationing affected every aspect of their operations. Paper shortages made administrative tasks challenging, while the scarcity of building materials slowed loan approvals for new construction. The societies adapted, finding creative ways to get around these constraints.

Perhaps the most significant transformation came in staffing. As male employees enlisted for military service, Toowoomba Permanent made a groundbreaking decision to hire married women for clerical roles – the first time in its history that married women had worked for the organisation.

## Peace interrupts business

In August 1945, celebration briefly overtook commerce. The minutes of Toowoomba Permanent's weekly meeting recorded:

*Our ordinary weekly meeting was upset... owing to holidays for the celebration of the acceptance by Japan of the Allies' Terms of Surrender.*

The Board paused proceedings to express gratitude to all members of the Allied forces who had fought so valiantly.





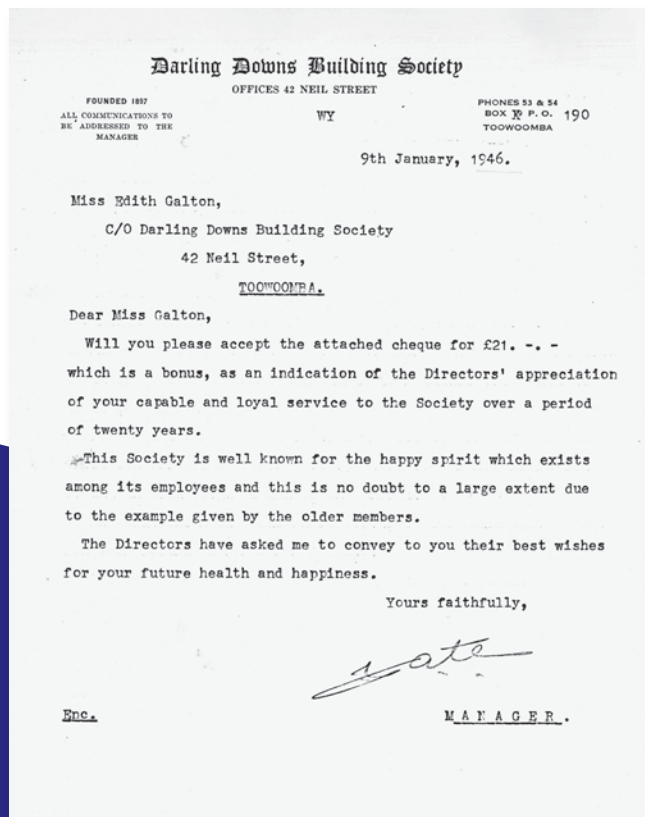
**Left** Employee B. Armstrong  
at Darling Downs Building  
Society, 1931.

**Above** Members of staff  
at work in the board room,  
Darling Downs Building  
Society, 1931.



## CHAPTER THREE

### The Great Australian Dream



**Above** Bonus letter for Edith Galton on her twentieth anniversary, 1946.

The end of World War II in 1945 marked a turning point. Australia faced an unprecedented demand for housing as servicemen returned home, eager to start families and build new lives.

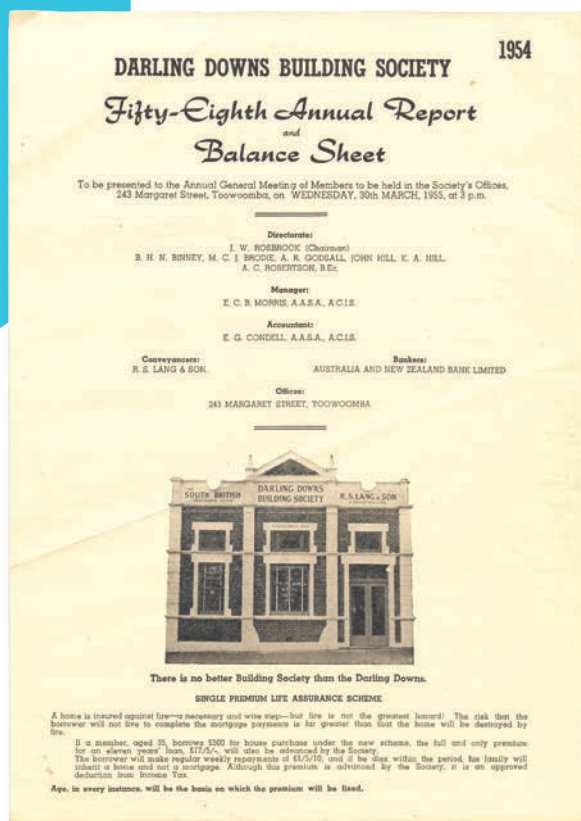
At Toowoomba Permanent's annual general meeting in May 1945, customers learned positive news: the society was 'in a stronger position than ever' to finance home building once wartime restrictions lifted.

In 1946, Toowoomba Permanent and Darling Downs building societies found themselves in an unusual position – they had more funds to lend than borrowers needed. Wartime rationing had created shortages of essential building materials. While Toowoomba Permanent's minutes expressed frustration at these restrictions, the society remained optimistic about helping 'many home builders' once materials became available.

Commonwealth War Loans and War Service Homes programs provided low-interest loans to returning servicemen. As materials became more readily available, both societies expanded their lending. Australia's urban home ownership reached a record 72 per cent.

By 1955, more than one million migrants had arrived in Australia, many from southern Europe. The combination of migration and the baby boom created a record demand for housing.





**Above** Darling Downs Building Society annual report, 1954.

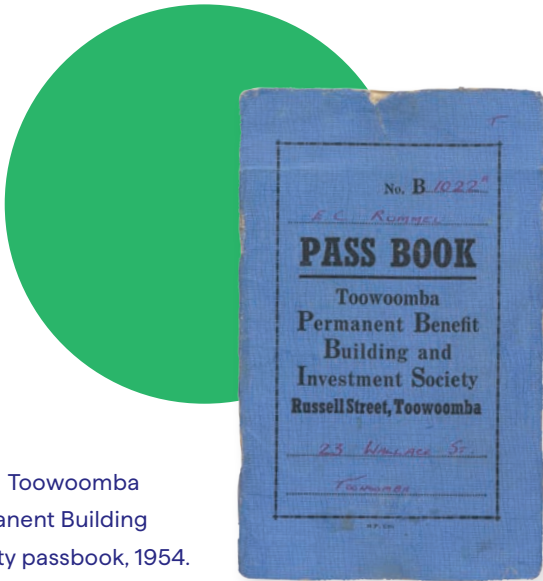
## A million-quid milestone

In May 1948, Toowoomba Permanent achieved a significant milestone: deposits and borrowing both reached £1 million. While Darling Downs Permanent remained Queensland's largest building society, both organisations emerged from the war years ready to serve their growing communities.

Postwar homes reflected changing tastes and needs. New houses featured simple, efficient designs with double or triple fronted façades (often made of affordable brick veneer) with large windows and wrought-iron features.

Southern European families brought distinctive architectural elements to Australian suburbs. Their homes often incorporated white decorative pillars and grand entrance staircases. Mediterranean-style gardens flourished, with fruit trees becoming a common sight in front yards, bringing a touch of Europe to Australian streets.





**Right** Toowoomba Permanent Building Society passbook, 1954.

## The Garden City blooms: birth of the Carnival

In 1950, as Australia emerged from wartime austerity, Toowoomba embraced a bold idea: local business owner and World War II pilot Essex Tait proposed a flower festival to revive the city's spirit and economy.

The first Toowoomba Carnival of Flowers took place on 21 October 1950. A bullock team led a three-mile street procession through crowds that would reach 50,000 – an extraordinary turnout in a region hungry for celebration.

The Carnival's success reflected the region's growing prosperity. As more people discovered Toowoomba's charms, demand for housing increased.

## Navigating challenges and growth

In 1954, Darling Downs Permanent moved to a larger head office on Margaret Street, Toowoomba. While the new location provided space for its growing team and clientele, the years ahead would bring a fresh set of challenges.

Australia entered a recession in the early 1960s, and both societies experienced slower housing demand and cautious borrowers. Fortunately, it was short-lived: by mid-decade, confidence returned and Australians' desire for home ownership drove renewed growth. Toowoomba Permanent and Darling Downs Permanent's focus on agricultural and regional markets, where economic fluctuations were less pronounced, allowed them to weather the downturn more effectively than city-based competitors.

Queensland introduced new regulations for building societies in 1968 which mandated minimum capital reserves and liquidity ratios and expanded service offerings (e.g. fixed-term deposits), enabling societies to better compete with banks. These rules modernised operations, allowing both societies to expand their services.

By the late 1960s, Queensland's building society sector had evolved significantly, with clear divisions between urban and regional institutions.

On the urban side, Metropolitan Permanent Building Society had become the state's largest in the sector by 1970, focusing on urban markets and developer partnerships.

Brisbane Permanent Benefit Building and Investment Society evolved into the Bank of Queensland in 1970. Queensland Permanent Building Society pursued aggressive expansion in Brisbane through higher-risk commercial ventures and speculative property loans, becoming another significant player in urban markets.

In contrast, Toowoomba Permanent and Darling Downs Permanent focused on low-risk residential mortgages and agricultural lending across the Darling Downs region. This strategy limited their exposure to volatile urban property markets that would soon create problems for more aggressive competitors.



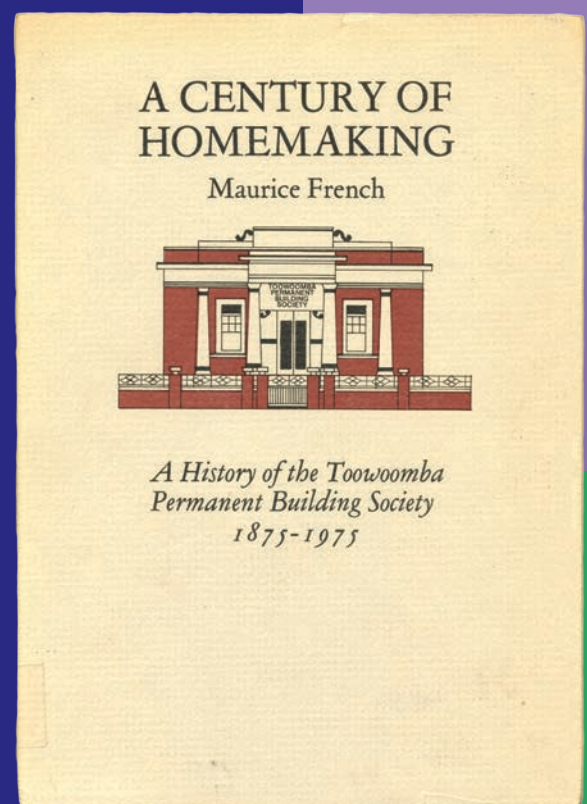


**Left** Carnival of Flowers, Toowoomba, 1965.

**Below** *A Century of Homemaking* by Maurice French, 1975.

## A century of service

1975 marked a proud milestone for Toowoomba Permanent – its centenary year. For 100 years, the society had helped Queenslanders achieve homeownership through careful financial management and a community focus. The occasion was commemorated with a book, *A Century of Homemaking* by Maurice French, capturing the society's journey.







The collapse of Queensland Permanent Building Society in 1977, triggered by \$3.8 million in losses from speculative loans, exposed systemic vulnerabilities, prompting withdrawals of \$18 million statewide and forcing regulators to intervene. Both Toowoomba societies faced temporary pressure but emerged stable, protected by their careful management practices. The Permanent Building Societies' Contingency Fund, established in 1976, provided additional security to the sector. Funded by levies on all permanent building societies, it provided financial support during crises and helped maintain public confidence.



## How times have changed!

Banking in the 1950s and '60s would seem quaint to today's customers. While we now tap our phones to transfer money in seconds, tellers once recorded every transaction by hand in passbooks. A misplaced decimal point could mean hours of reconciliation work after closing time – and every till had to balance to the penny before staff could head home.

Personal relationships flourished in smaller branches and communities. Tellers knew their customers by name and face, checking signatures against cards kept in special files – no digital verification or biometric scanning required. While this created a friendly atmosphere, it came with limitations. Transactions took longer, security



**Left** Scenes from the Darling Downs Building Society, 191 George Street, Brisbane, 1970s.



relied heavily on manual processes, and banking was only available during limited branch hours.

Technology evolved slowly. When electronic calculators first arrived in 1975, they were treated like precious jewels, kept under lock and key. Staff would queue to use them.

Even the dress code tells a story of changing times. In 1965, female tellers wore skirts no shorter than three inches above the knee – trousers were strictly forbidden. Men sweated through Queensland summers in mandatory suits and ties. 'Casual Friday' didn't exist.

Some other memorable differences:

- Smoke-filled offices were the norm, with customers often lighting up at the counter.
- Staff handwriting had to be immaculate for those manual ledger entries.
- The branch's single telephone was a prized possession.
- Banking hours were strictly Monday to Friday, 10am to 3pm.
- Lunch breaks meant closing the branch entirely.

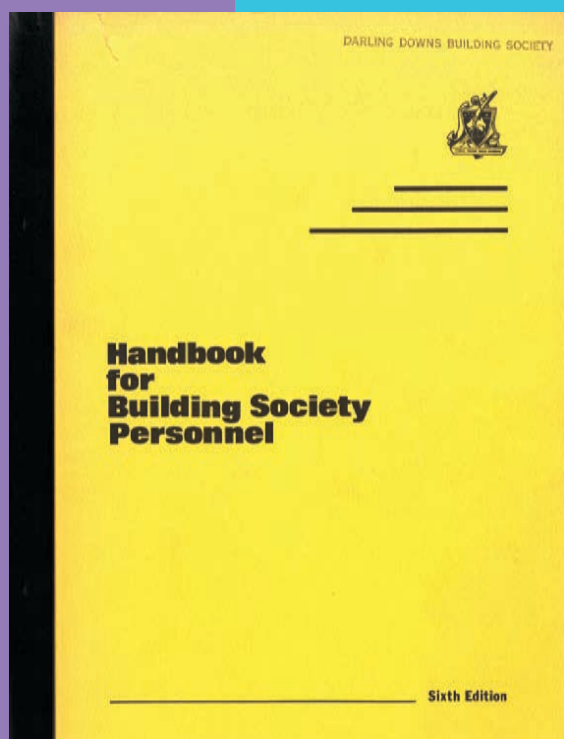


**Above** Darling Downs Building Society, 1970s.





**Above** Toowoomba  
Permanent Building Society  
headquarters, 1934–1979.



**Left** Darling Downs Building  
Society handbook, 1978.





## Lessons from the 1978 employee handbook

The 1978 Darling Downs Building Society employee handbook offers some eye-opening glimpses into past banking life:

- In case of robbery, staff were advised to 'follow the bandit at a safe distance' – not quite the security training we give today!
- Bullet-resistant glass could withstand 'three shots' – an oddly specific number.
- The handbook marvelled at new \$20 'micro-computer chips' with the same power as a \$1-million 1950s computer.
- Keeping passbooks safe was a constant challenge, with the handbook noting they were 'lost or stolen with almost monotonous regularity'.
- Computer programmers were praised for writing '5-10 program steps per day'. Today's software developers might have a laugh at that.
- Married couples couldn't work in the same area.
- The handbook fretted about rubber stamps being readily available.
- Early privacy concerns sound familiar: 'too much available information' and 'fear of a controlled society'.



## CHAPTER FOUR

### From Rivals to Partners: Heritage Building Society

In 1981, the head offices of two of Toowoomba's most established financial institutions stood just 75 metres apart. Though close in proximity, Toowoomba Permanent and Darling Downs Permanent represented nearly two centuries of separate histories and distinct cultures.

The boards had broached the idea of a merger several times over fifteen years. Those discussions never got very far. But the late 1970s brought unprecedented changes to Australia's financial landscape. When the government deregulated trading banks in December 1980, building societies faced new competitive pressures. Both societies needed technological modernisation, having purchased computer systems in 1977 that already required expensive upgrades.

The solution seemed obvious: rather than each society spending \$500,000 on new systems, they could combine resources and implement a single solution at half the cost. It was the beginning of a partnership that would transform banking in the region.

By year's end, these friendly rivals would unite to create what would become one of Queensland's most successful financial institutions: Heritage Building Society.





**Above** Merger announcement in the *Toowoomba Chronicle*, 1981.

Heather Timbs joined Darling Downs Permanent in 1980, landing a role in electronic data processing despite never having used a computer. 'I remember going for an interview, and one question was, "Have you ever used computers?" I had never used a computer in my life, but I knew I wanted this job, so I said, "Sure, I can do that." So where did they put me? In IT, working with mainframe computers. I learned quickly – we had no PCs at all in those days.'

Just over a year later, Heather witnessed the historic merger with Toowoomba Permanent. She recalls it as fairly painless. 'We wore bright green outfits and they wore brown, but other than that, we were both building societies doing similar things,' she says.

## Becoming Heritage

As noted in the background documents to the merger:

*Because this is a true amalgamation of two thriving societies to form a new, even more prosperous society, there should be an entirely new name.*

Choosing a new name proved challenging. The first choice had to be abandoned when the registrar revealed a dormant building society had already claimed something similar. 'Heritage' was selected to honour the combined 190 years of experience – Toowoomba Permanent's 106 years and Darling Downs' 84 years.



## Darling Downs Building Society

Mr. L. H. Ludgate  
Chairman of Directors

## Toowoomba Permanent Building Society

Mr. K. W. Hutchison  
Chairman of Directors

# Consolidated Balance Sheet

OF

## Darling Downs Building Society

AND

## Toowoomba Permanent Building Society

### Balance Sheet as at 30th June, 1981

LIABILITIES	\$	ASSETS	\$
<b>Members' Equity</b>		<b>Advances to Members</b>	
Statutory Reserve .....	360,510	(Secured by First Mortgage) .....	113,980,948
General Reserve .....	1,964,490	<b>Investments and Cash Funds</b>	
Asset Replacement Reserve .....	100,000	Cash at Bank and on Hand .....	640,667
Unappropriated Profits .....	51,155	Bank Deposits, Government Guar-	
Members' Passbook Funds .....	86,055,850	anteed Securities and other	
<b>Current Liabilities</b>		Authorised Investments	
Members' Term Deposits .....	59,332,179	(At Cost — Market Value	
Sundry Creditors .....	196,693	629,593,617) .....	29,611,964
Provision for Taxation .....	186,896	<b>Fixed Assets</b>	
Provision for Annual and Long		Land and Buildings (At Cost less	
Service Leave .....	102,288	Depreciation) .....	1,622,744
Provision for Deferred Taxation .....	162,739	Furniture, Fittings and Equipment	
		(at cost less Depreciation) .....	757,114
		<b>Other Assets</b>	
		Accrued Interest on Investments .....	907,767
		Balance Owning on Sales of Premises	125,557
		Sundry Debtors, Prepayments and	
		Deposits .....	101,550
		Contingency Fund Loan .....	1,129,814
		Future Tax Benefits .....	34,777
	<b>\$148,512,799</b>		<b>\$148,512,799</b>

**Above** Consolidated balance sheet, 1981.

**Below** Chairman Brian Carter at the opening ceremony of Heritage Plaza, 1983.



The formal process began on 3 September 1981, when both societies called special general meetings. On 6 October, Darling Downs members met in the Golden Grain Room within the Toowoomba Maltings in Newtown, while Toowoomba Permanent met in their head office. The resolution outlined key points: the new name would be Heritage Building Society; the existing directors would initially form one board, planning to reduce numbers from twelve to eight or nine within fifteen months; and for accounting purposes, the merger would be backdated to take effect from 1 July 1981.

The chairman of both boards – Len Ludgate from Darling Downs Permanent and Keith Hutchison from Toowoomba Permanent – strongly endorsed the merger in letters sent to members.

Len wrote, 'We believe this proposed amalgamation will result in further improvements in the range and extent of services available to our members, while also enabling economies to be achieved in operating costs.'

Keith sent a similar message: 'Amalgamation will enable us to effect far-reaching economies of operation, which must be of further benefit to all members and pave the way to further steady growth.'

The merger created one of Queensland's largest building societies, positioned to challenge an increasingly competitive financial marketplace. Combined resources allowed for expanded services and a broader operational footprint across the Darling Downs region and beyond.

Keith became the inaugural chairman of Heritage Building Society and Len stayed on as a director, but did not take over the role of new deputy chairman. Instead, that position was taken by Len's Darling Downs Permanent



colleague, Brian Carter, who went on to become one of the most influential figures in Heritage's history.

Brian took over from Keith as chairman of Heritage in December 1982, a position he held for thirty years until his retirement in 2012. His tenure as chairman coincided with one of the periods of greatest change in the organisation's history.

## A new home and a place in history: Heritage Plaza

In September 1983, Toowoomba's skyline changed forever. Heritage Building Society unveiled its new headquarters, Heritage Plaza, at 400 Ruthven Street. As the city's first high-rise building, it marked a turning point for both the society and the region.

Heather Timbs saw the construction unfold. 'I sat watching this building rise up from the ground,' she says. 'It was the first time Toowoomba had a multi-storey building. The whole community was excited about this new building and this new building society called Heritage.'

The \$6-million project came at a significant moment, just two years after the societies merged. The new headquarters brought together staff who had previously worked in separate offices around the city, providing a modern, central location that symbolised the successful union of the organisations.

The Heritage Board decided to fund the construction from its own resources, without external borrowing and with the goal of revitalising the city centre.



### Top and middle

Constructing Heritage Plaza, 1982.

**Above** Heritage Plaza, 2019.



## ***The Grapevine* covered all the essentials of 1987 workplace life, such as detailed instructions for washing the Heritage uniform and ‘The Adventures of Heritage Hattie’, a comic strip sharing workplace wisdom.**

‘Rather than construct a small building merely adequate to the Society’s own immediate needs, your directors have had the foresight and initiative to fully utilise the potential of the prime site available to them, and to undertake the first major development of its type in Toowoomba,’ said Brian Carter at the time of the project.

New opportunities for employment also arose. Former Facilities and Archives Manager Russell Bianchi recalls his unexpected start at Heritage: ‘I opened the paper and I saw this job at Heritage Building Society, and I thought, never heard of them, but that’ll give me something to do for six months to work out what I want to do.’

Russell retired in 2024 after forty years with Heritage and People First.

### **I heard it through *The Grapevine***

‘So why doesn’t Heritage have a staff magazine?’ asked Alan Smith when he joined Heritage’s IT Systems Team in early 1987.

There had been a newsletter, *Heritage Account*, but that lasted just eight issues before petering out in the early 1980s. ‘Why don’t you start one?’ Marketing responded.

Alan’s fateful reply – ‘Alright, I will!’ – launched an institution.

The first edition was humble: eight black-and-white pages and dot matrix printing, roughly stapled and photocopied. *The Heritage Grapevine* was meant to be a working title while Alan thought of something better, but the name stuck. It set a lighthearted tone:

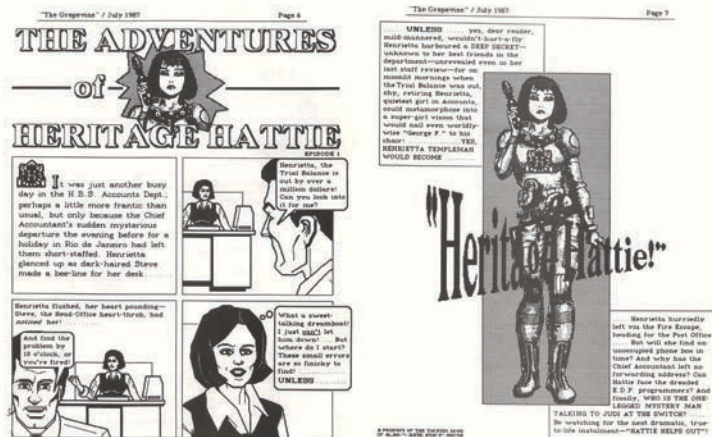
*This is the inaugural issue of a bi-monthly newsletter designed to keep staff members ‘up-to-date’ on what’s happening around Heritage – everything from trivia to rumour, with even the occasional serious bit thrown in!*

Along with staff moves and birthdays, *The Grapevine* covered all the essentials of 1987 workplace life such as detailed instructions for washing the Heritage uniform and *The Adventures of Heritage Hattie* – a comic strip sharing workplace wisdom.

The newsletter relied on staff contributions with a playful call for submissions:

*There must be something happening in your department or branch that the rest of us would give our best typing finger or our favourite ATM to hear about!*





Left The Adventures of Heritage Hattie in the Heritage Grapevine, 1987.



Above Barry Whisson, 2025.

## Barry Whisson: a customer's perspective

Barry Whisson has a unique outlook on the merger – he was a customer of both societies. 'From our first account with Darling Downs Building Society, through Toowoomba Permanent and then Heritage – that's fifty years of banking without a single worry,' he says.

For Barry, the societies offered more than just better interest rates. 'Like many business owners, we were just looking for a safe place to park our money. What we found was a bank that consistently offered better returns than the major players.'

Today, Barry maintains his connection with People First, helping frame prints for the bank's annual photographic competition. He has even won awards himself, including an Encouragement Award in 2007 for his photo *Finding the Surf with Dad*.



## CHAPTER FIVE

# Innovation in Community Banking

In the early 1980s, Heritage began its transformation from a regional Darling Downs institution to a significant player in Queensland.

Heritage's first moves beyond its traditional territory came with branches in Brisbane. Through the 1980s and '90s, Heritage steadily extended its reach to the Gold Coast and Sunshine Coast, establishing a presence in Queensland's most populous regions.

This expansion required significant investment in technology, staff training and marketing to compete with larger financial institutions in these urban markets. Heritage differentiated itself by maintaining its mutual ownership structure and customer-focused approach.

The expansion allowed Heritage to access new markets, diversify its loan portfolio and increase its customer base, positioning it as an increasingly important player in Australia's mutual banking sector.

### New blood and a challenge

When Kerry Betros sat down to lunch in early 1991, he didn't expect to be offered a position as Heritage's first new director since the merger.

'I was the youngest by a considerable margin,' he recalls. 'Being the new person was daunting enough. Then, within six months of joining the board, we faced a hostile takeover attempt!'





**Above** Chairman Kerry Betros, Bundaberg Heritage branch opening, 2012.

The challenge came through Heritage's first contested board election in nearly a decade. Three incumbent directors stood for re-election against five new candidates. The challengers moved aggressively, even announcing their plans on television before informing Heritage staff.

As both sides presented their cases in the local press, Heritage's customers made their feelings clear. They voted overwhelmingly to maintain the bank's independence, with incumbent directors securing more than 97 per cent of votes. Nonetheless, it was a nerve-racking experience.

'One of the older directors joked that I was a jinx as this happened right after I joined the board,' Kerry says. 'I was never sure if he was serious – there were a couple of directors who had been there a long time!'



In 1995, Heritage achieved a landmark that few could have imagined when it began: \$1 billion in total consolidated assets. This milestone was a turning point for Heritage, proving that a customer-owned financial institution could achieve substantial scale while maintaining its community focus and values.

Four years later, Heritage brought an innovative solution to a growing problem in rural Australia – the withdrawal of major banks from country towns. The community branch model that emerged would prove to be one of Heritage's most significant innovations.

## A town at risk

The small town of Crows Nest, 45 kilometres north of Toowoomba, faced a crisis common to rural Australia. ANZ had closed its local branch two years earlier, and rumours circulated that National Australia Bank might follow suit. For a community of farmers, business owners and retirees, the prospect of losing all banking services threatened the town's future.

Baden Brown knew banking from the inside. A former ANZ employee turned local meat business owner and president of the Tourist and Progress Association, he understood what was at stake.



**Opposite** Tellers and customers, Brisbane, 1995

**Above** Grapevine article about Noreen Pauli, 1995.

**Left** Noreen Pauli, Darling Downs Building Society's longest-serving staff member, 1995.





## How community branches work

The model operates as a partnership or joint venture between Heritage Bank and the communities it serves. Local investors raise the starting capital, with contributions capped at \$100 to \$5000 per person to ensure broad ownership. Heritage provides the banking licence, staff and support. Profits are shared between the bank and the community, funding local projects through grants, creating jobs and strengthening community ties.

‘People come to town to do all their business,’ Baden explains. ‘The prospect of not having a bank would have meant they would transact their business in Toowoomba and drive straight past.’

Baden and his committee explored various banks and financial institutions, but Heritage Building Society stood out. As a mutual organisation, it offered exactly what the community wanted – genuine customer ownership. With a clear winner, a joint venture was formed.

The committee insisted on a full-service branch. ‘We want a proper, fully-fledged branch manager that can go out, be visible in the community and interact,’ they told Heritage.

The former ANZ building, already fitted out as a bank, became crucial to the plan. The committee talked the council into buying the building and leasing it back to the joint venture.

The Crows Nest branch became profitable within twelve months. Over two decades, the community partner returned more than \$10 million to local projects through grants, supporting everything from rural fire brigades to school technology and community infrastructure.



**This balanced approach of honouring regional roots while embracing statewide ambition defined Heritage's evolution into a modern, socially responsible financial institution.**



One of the most significant projects was the \$540,000 redevelopment of the town's central park. The project turned the former railway turntable site into a community hub complete with a pergola, seating, and a 300,000-litre underground water tank for maintaining the gardens.

### **Expanding the community model**

Following this success, Heritage expanded the model to Highfields in 2003 and eventually established seven community branches across Queensland. Each branch operated as a joint venture between Heritage and local organisations. In smaller towns like these, the branches became pillars of community development, often outlasting their major bank competitors.

In Pittsworth, the opening of a traditional Heritage branch held special significance for former mayor Ros Scotney. As a fifth-generation local, Ros understood the importance of local banking services. 'I was extremely happy when Heritage announced they were opening a branch in Pittsworth,' she recalls. 'It was great news for



**Top** Crows Nest Central Park, 2020.

**Above** Noosa Branch Manager Bec Lynch presents Coolum Tennis Club Treasurer Mark Caruana with \$2000.





our community.' The branch's first manager recognised Ros's deep connection to the town and invited her to officially open the branch.

Unlike community branches, Pittsworth operated under Heritage's direct management and mirrored its local engagement, funding projects like showground upgrades and technology for schools.

'They've done some wonderful community things in Pittsworth with schools, sporting bodies, not-for-profit organisations,' says Ros. 'They are truly for the community.'

Heritage's strategy of urban expansion and rural innovation cemented its status as Queensland's largest mutual bank. Its community branches thrived in towns abandoned by major banks, while city locations drove membership growth to over 300,000. This balanced approach of honouring regional roots while embracing statewide ambition defined Heritage's evolution into a modern, socially responsible financial institution.

## Promo from the pulpit

Support for the first community branch in Crows Nest came from an unexpected champion – the local Catholic priest, Father Terry Hickling. Between hymns and blessings at Sunday mass, he would enthusiastically promote the branch to his congregation. Father Hickling's advocacy never wavered, even when the branch could not offer him preferential rates after he sold his car. As he told his parishioners, it was not about personal gain but about strengthening their community.

**Above** The Crows Nest branch donates \$8000 to upgrade Anduramba Hall. (Clockwise from left) Customer Service Supervisor Leanne Murphy, Selwyn Stark, Errol Stark and Brenda McGreevy, 2011.



## The CEO and the sausage sizzle

The contrast between corporate banking and country community banking was never more apparent than during an early branch opening. Fraser Reed Smith, Heritage's then-CEO from Melbourne's corporate world, rolled up his sleeves for his first community sausage sizzle. Baden Brown recalls having to explain the basics: get your bread, add the sausage, onion and tomato sauce in the right order, then try not to spill it.



## The millennium bug that never bit

As 1999 drew to a close, concerns about the Y2K computer bug reached fever pitch. Would the world's computers crash when the clock struck midnight on 31 December? Would banking systems fail? Would buildings lose power?

'The whole world just went nuts at that time,' recalls Russell Bianchi, the former facilities and archives manager. 'As a reasonably level-headed country boy, I used to sit there going, "We cannot honestly think that is going to happen." But we did.'

Heritage Building Society, like organisations worldwide, prepared extensively for potential disaster. Russell remembers planning committees and hiring outside specialists. 'I am sure there are still consultants who retired to the Cayman Islands from what they made.'

When New Year's Eve arrived, many staff gave up their once-in-a-century celebrations to be onsite at Heritage Plaza in Toowoomba. 'We had to be here because the data centre and the air conditioning might stop at 12 o'clock,' Russell explains. 'There were heaps of people here. At five to twelve, everyone was running around saying their last prayers and goodbyes or whatever it was. I was just sitting there watching the world go by.'

The clock struck 12. Then one minute past. Nothing happened.

'I said to my boss, "Can we go now?";' Russell recalls. It was perhaps the most anticlimactic New Year's Eve in banking history.



## Under siege by a corporate raider

The dawn of the new millennium also ushered in one of the most tumultuous episodes in Heritage Building Society's history. On 11 February 2000, then Heritage Chairman Brian Carter received an unexpected text. It was from the Ipswich-based First Australian Building Society, announcing that it was launching a \$120-million bid to take over Heritage.

First Australian was a shareholder-owned organisation, so agreeing to the takeover would have forced Heritage to relinquish its customer-owned status. The Heritage Board emphatically rejected the offer. Brian Carter called it an insult, describing it as a 'cheap grab at a successful and highly respected financial institution'.

What followed was four weeks of bitter and expensive lobbying from both Heritage and First Australian. Eventually, First Australian realised the bid was not likely to be endorsed by Heritage's 200,000 members, and on 14 March 2000, withdrew its offer. Ironically, just months later in June, First Australian was swallowed up by Bendigo Bank. Its name disappeared from the Australian banking landscape, while Heritage continued to prosper.

**Right** The Toowoomba Chronicle covers the First Australia Building Society takeover, 2000.

**Middle and below right** Celebrating the 125th anniversary at the Cairndale Heritage branch, Brisbane, 2000.





## CHAPTER SIX

### Putting People First

Heritage Bank entered 2005 in a strong position, recording its highest before-tax profit of nearly \$20 million. With assets under management reaching \$5 billion, the organisation had established itself as a significant player in regional banking. This growth came through steady progress and dedication to customer service rather than aggressive expansion strategies.

In 2011, Heritage decided to change its name. The transition from Heritage Building Society to Heritage Bank addressed a practical challenge. As Kerry Betros explains: 'The general public had no idea what a building society was. They would ask, "Are you a construction company?"'

Then-CEO John Minz said the name change was all about moving with the times and remaining relevant to the modern world.

'While we are extremely proud of our history, the reality is that many people do not understand that a building society is able to provide the same products and services as a bank, and meets strict prudential and regulatory requirements. The new name will better describe what we do and increase the understanding that we are an extremely viable alternative to the big banks.'

The change presented considerable logistical challenges. 'Imagine changing every single item that had *Heritage Building Society* on it to *Heritage Bank*,' says Russell Bianchi. 'It was an enormous undertaking.'

While the name changed, the bank's fundamental structure remained unchanged. Heritage continued to operate as a mutual organisation owned



# Heritage Bank

*People first.*

**Right** Heritage marketing team,  
(L-R) Shelley Grofski, Emily Howard,  
Nat Foster and Emilee Nicholls, 2007.



by its customers rather than shareholders, allowing it to prioritise customer benefits over profit.

In 2007, Heritage trademarked the slogan 'people first', which had appeared in their advertising for at least three years. This formalised a philosophy the organisation had followed for generations. The phrase captured Heritage's commitment to prioritising customers over profits – a commitment that would later inspire the name of the merged entity.

Heritage Bank's commitment to professional development earned significant recognition. From 2011, the bank received Australian Business Awards for eleven consecutive years, as either Employer of Choice or Recommended Employer.

Heather Timbs, who now leads the bank's Learning and Development functions, says: 'We are proud of the culture we have built. It is important that we attract and retain great employees as they play such a crucial role in delivering our renowned people-first customer service.'

Heritage Bank strengthened its commitment to professional development by becoming a Registered Training Organisation. This allowed the bank to offer structured development programs from induction through to leadership training, delivered through multiple channels including facilitator-led digital learning, videos and on-the-job training.



## The Jasmine connection

For Barry Whisson, small gestures demonstrated how Heritage staff connect beyond banking. 'We were talking to a teller named Jasmine and mentioned we had jasmine growing in our garden. When she told us she pressed flowers, we brought her some on the next visit. She was delighted. These simple connections make banking feel more personal.'

**'It is a different experience having someone who not only speaks your language, but also understands your culture. It helps people feel comfortable when you are explaining banking in their language.'**

## Expanding horizons

Heritage Bank expanded its physical presence beyond Queensland in October 2019, opening its first interstate branch in Castle Hill, Sydney.

A second Sydney branch opened in Parramatta in December that year. Both locations introduced innovative features, including a community wall to promote local events and a 'Life Events' interactive touchscreen to help customers identify suitable banking products.

The bank further expanded its Sydney presence in early 2020 with a mobile lending service across Western Sydney. 'We understand life gets busy,' CEO Peter Lock told reporters. 'Our mobile lending team makes it easier by fitting in around your schedule.'

In 2020, Heritage Bank introduced an innovative program to assist the growing Syrian and Iraqi refugee communities in the Toowoomba region. The bank created two community liaison roles, employing Waleed Sammouh and Basel Deghlawe, both from Syria, to help new migrants understand Australian banking.

Waleed explains, 'It is a different experience having someone who not only speaks your language, but also understands your culture. It helps people to feel comfortable.'





**Above** CEO John Minz celebrates the bank's new name with the children of employees, 2011.



## A day at the show

In 2019, eighty-three-year-old Ann Muller mentioned to Heritage Bank employees Daniel Chapman and Sammy Gersekowski that she had not been on the Ferris wheel at the Dalby Show since her husband Barry passed away.

The two Heritage bankers decided to spend a day with Ann at the show. Daniel proposed a deal – if they rode the Ferris wheel together, they would also visit his favourite ride, the haunted house.

Ann accepted. Soon she was enjoying views across the Dalby showgrounds from the Ferris wheel, followed by a trip through the haunted house.

This gesture was typical of Heritage's commitment to personal connections in the community, extending beyond banking services to create meaningful experiences.



**Above** Former rugby league and union star Mat Rogers wearing the 'Power Suit', 2014.

**Below** Heritage team members at the Robina branch opening, 2015.



**Left** Heritage employee Daniel Chapman with customer Ann Muller at the Dalby Show, 2019.







## The world's first payment suit

In 2014, Heritage Bank partnered with Australian menswear brand M.J. Bale and Visa to create an innovative 'Power Suit' – a tailored garment with integrated payment technology.

Made from Australian Merino wool by a master Japanese tailor, the suit contained a contactless payment chip and antenna in the sleeve. Wearers could make purchases by touching their cuff to a payment terminal.

The suit connected to a Heritage Bank prepaid account that could be managed via mobile banking. One prototype was auctioned for charity, combining Heritage's commitment to technological innovation with community support.

## Personal service in a digital age

Despite increasing digitisation, Heritage Bank was determined to maintain its commitment to personal connections. Long-term customer Rob Scott appreciates this approach: 'You can talk one-on-one over the counter or sit in a private office. It is really personal.'

Anne Scott adds: 'That has been consistent right through from Toowoomba Permanent Building Society. Our age group has had to take on significant technology in our advancing years. Heritage has been positive throughout, and nothing is too much trouble.'

Heritage Bank developed comprehensive strategies to protect customers from scams and fraud. The bank built up its security measures, employing qualified personnel and implementing advanced tools to identify and prevent identity theft. Fraud analysts monitor transactions around the clock.


Barry Whisson appreciates the bank's responsive approach to security concerns: 'I requested they stop sending term deposit details via email, as I was worried about computer scams. They listened and acted immediately.'

Protection against scams became central to Heritage Bank's operations. The dedicated scams team has prevented customers from losing thousands of dollars to fraud through vigilant monitoring and intervention.



## CHAPTER SEVEN

### Navigating Change and Challenges



When the Global Financial Crisis struck in 2007, Heritage Bank faced one of its greatest tests. Heather Timbs remembers the announcement during a senior leaders' meeting. 'We all took a very deep breath,' she says.

The bank's customer-owned model and conservative financial management proved invaluable. Heritage emerged strongly from the crisis, supported by Australian government economic stimulus measures and deep community connections.

This success reflected a pattern established through previous challenges, dating back to the Great Depression. 'We have this ability to join together and work as one team in a crisis, and I have seen that over and over again throughout my time with the bank,' Heather says.

The bank's stability through the crisis reinforced customer trust, proving its customer-focused approach could withstand severe economic pressure.



**‘From the days of passbooks to today’s standards where you do not even need to enter a bank, the digital revolution has changed everything.’**

### **The digital revolution**

Russell Bianchi reflects: ‘The whole technology evolution has been the biggest change. From the days of passbooks to today’s standards where you do not even need to enter a bank, the digital revolution has changed everything.’

Like all banks, Heritage had to evolve from primarily physical banking to embracing digital solutions. Unlike other banks, Heritage knew that many of its customers, particularly the older ones, relied on a friendly face in a branch or helpful voice on the phone.

Kerry Betros explains the ongoing importance of personal connections: ‘In Toowoomba, the directors are local and well-known around town. You would be surprised how many customers contact us just to ask something.’



### **The Grapevine’s final chapter**

*The Heritage Grapevine* published its final edition in 2017, concluding a remarkable 30-year history. The man who started it all, Alan Smith, continued producing the magazine after his retirement in 2010 until its final edition.

From humble beginnings as a nine-page newsletter printed on a dot-matrix printer, *The Grapevine* grew into a significant publication. By 1990, it had expanded to thirty-six glossy pages. A milestone was reached in 1993 when laser printers replaced ink-jet printers, and the 50th issue in 1995 was celebrated as a ‘collector’s edition’.

The publication maintained its independence, connecting staff across Heritage’s expanding network, and being informative while keeping its lighthearted approach.

**Above** (L-R) Heritage executives John Minz, Bob Hogarth (seated) and Peter McInnes, 1999.



Notable moments captured in *The Grapevine* included:

- the birthday celebration that nearly ended in disaster when a 30-sparkler cake threatened the head office;
- the launch of the first electronic reader survey in 2000; and
- popular regular features such as *Heard on The Grapevine* and *Only Joking*.

Throughout its run, *The Grapevine* remained true to its mission of being 'by Heritage staff, for Heritage staff', delighting employees and their families alike.

## The Covid-19 challenge

The Covid-19 pandemic presented unprecedented trials, demanding rapid adaptation. 'Covid was interesting because one day we were here (in head office) and the next day we were shut down. It happened that fast,' Heather Timbs recalls. Despite the sudden changes, Heritage maintained its services. 'We opened our branches every day. Our customers had service every day, whether through the digital app or in a branch.'

The pandemic accelerated workplace evolution. 'At the other end of that, we have now got a workforce that is so much more agile, so much more flexible, and the lifestyle balance is awesome,' Heather observes.

Capability Manager Jessica Everingham remembers the fortunate timing of a significant technological upgrade. The entire staff worked on desktop computers until shortly before Covid-19 arrived. 'Luckily, the laptops had rolled out by then or our ability to keep functioning would have been massively impacted,' she says.



Above The final edition of the *Grapevine*, 2017.



Above Heritage contact centre, 2006.





## 'Is anyone there?'

Heritage Bank's path to 24/7 customer service began with a simple experiment. Rather than make a formal announcement, the team decided to simply stay open and see what happened. The results surprised everyone.

'We got heaps of calls,' says Narelle Case, head of experience at the contact centre. 'Every single person said the same thing: "I was just calling to see if anyone was there." People were ringing at all hours, hoping someone might answer.'

The callers included overseas customers needing assistance, people dealing with compromised cards, and others requiring urgent help. What began as a trial soon became permanent, with staff working from home to provide round-the-clock service.

'It was quite interesting that this whole need existed, and we never knew until we stayed open,' Narelle says. 'We discovered there were a lot of people wanting 24/7 service.'

## A saucy promotion

Any true-blue Australian knows it's practically criminal to charge extra for tomato sauce with a meat pie. So when Heritage Bank wanted to emphasise its commitment to no hidden extras, the company came up with a promotion that spoke directly to this sentiment.

'We gave away individual servings of tomato sauce to highlight that Heritage does not charge for extras,' recalls Lending Specialist Victoria Hicks. 'The ceramic sauce bowls from that promotion are still in branch kitchens today – big red ones that became a bit of a collector's item among staff.'

**Above** Complimentary tomato sauce packets were offered in Heritage branches, 2015.





## CHAPTER EIGHT

### A Force for Positive Change

In 2018, Heritage Bank formalised decades of community support by establishing its Charitable Foundation. The Foundation's annual grant program supports charities across Australia, focusing on education for at-risk youth, improving healthcare for vulnerable Australians, and wellbeing in regional and remote communities.

The 'Helping Hands' sponsorship program extended Heritage Bank's community support to arts initiatives, refugee support, Indigenous Australian programs, women's services, youth development, rural assistance and small business support.

'I could take you for a drive around Toowoomba and say, we helped with that, we paid for that, we did that,' says Russell Bianchi.

Heritage Bank maintained strong relationships with local events and organisations including the Heritage Bank Toowoomba Royal Show, Cobb & Co Museum and the Carnival of Flowers. It developed flagship programs including scholarships with the University of Southern Queensland, the annual Heritage Bank Photographic Awards, and the Community Branch Program, which returned profits to local areas.

Heritage Bank focused on identifying and addressing community needs. Its targeted approach included funding mobile phones for women experiencing domestic violence, supporting families in financial hardship, and providing emergency assistance through local branches.





## PUTT-ing people first

The annual Heritage Charity Golf Day has been running for more than twenty-six years. 'As of last year, we provided more than one million dollars to local charities,' says Russell Bianchi. The event brings together Heritage Bank employees, suppliers and contractors to raise funds for community causes.



**Above** Conclusion of the Carnival of Flowers parade, Queens Park, 2015.

**Left** Fletcher and Kaylee Haspels, Ipswich Festival, 2011.

**Below** Steven Fudge, Heritage Bank Photographic Awards open category winner, with his image 'Aquaculture', 2015.





**Top** (L-R) Jasmin McLoughlin, Jacinta McCoy, Laylie Goulding and Lauren Burgess reading to Daisy the Story Dog, Heritage Plaza, 2021.

**Middle** (L-R) Eric Thorne, Samuel Thorne and Customer Service Supervisor Linda Bloomer, Queensland Children's Hospital, Brisbane, 2016.

**Below** (L-R) Heritage CEO Peter Lock and OzHarvest Queensland State Manager Anthony Dunne, 2020.



Team member Sandy McCulloch recalls another meaningful moment: 'At the Sunshine Coast Show, we ran a dance competition where children could win a PlayStation. When I called the winner's parents, the child was overjoyed – it was something the parents could never have afforded themselves.'

Kerry Betros knew the organisation did a lot of good, but it was a chance encounter in a local supermarket that demonstrated what a difference a seemingly minor thing could make. A customer stopped to thank him after receiving a Heritage-sponsored comfort pack in hospital following breast cancer surgery. 'Seeing it was sponsored by Heritage Building Society gave me such a lift,' the customer said. 'It made me think, *people do care*.'

Former Pittsworth Mayor Ros Scotney recalls approaching the local Heritage branch manager about families struggling with school expenses. 'The kids were not doing well at school because they had old clothes and could not afford books,' she says. She was delighted with the response. The branch provided vouchers for groceries and clothing, making sure the most vulnerable in the community would not go without.





**‘Seeing it was sponsored by Heritage Building Society gave me such a lift. It made me think, *people do care.*’**

Heritage Bank’s commitment to community service extends beyond corporate initiatives, flowing through to individual teams who embrace opportunities to contribute. When the Learning and Development Team visited Lifeline, they discovered volunteering could bring unexpected benefits.

‘About ten of us went down to Lifeline for the morning to help sort clothing donations,’ says Jessica Everingham. ‘We learned about the logistics of an operation this big – including where all the A-grade stores with the best brands are around town! Soon we were sorting giant piles of clothes. Opening each plastic bag felt like Russian roulette – would we find nicely laundered clothing or someone’s old underwear? Thankfully nothing too disastrous turned up.’

The hands-on work created natural opportunities for team bonding. ‘Working on this kind of task makes it easy to chat with teammates,’ Jessica says. ‘We had a

great time getting to know each other better outside our usual routine. Plus, it’s just fun seeing all the clothes!’

These team-led initiatives demonstrate the depth of care within the bank’s culture. When the eight-year-old daughter of a staff member was diagnosed with Ewing sarcoma, a rare bone cancer, colleagues organised fundraising events and family days. Their efforts helped cover hospital travel and accommodation costs during multiple operations, with staff supporting the family throughout the child’s recovery.

On the Sunshine Coast, ‘the branch managers collectively bought weatherproof swags for homeless people through an organisation called The Shack,’ says Sandy McCulloch. ‘We each donated individually, and then, after winning a competition at a retail lenders conference, we were able to donate another \$1500 to buy more swags.’





**Left** Heritage team at Gold Coast Running Festival, 2019

**Below** Heritage stand at the Toowoomba Show, 2022.

**Above** The Palmwoods Community Branch donates almost \$100,000 to local groups at their 2020 Grants Evening.







**Above** Employees volunteering at the Toowoomba Show, 2022.

**Right** The Karalee Community Branch donates \$21,000 to the Mount Crosby State School to upgrade its playground, 2018.









**‘The first thing you’ve got to do in a merger is find someone who’s got the same sort of culture and specific ideas that you have – otherwise it’s not going to work. Luckily, we found People’s Choice.’**

### **Looking forward**

After nearly 150 years serving Queensland communities, Heritage Bank had established itself as more than a financial institution – it was woven into the fabric of the regions it served. Through wars, depressions and technological revolutions, Heritage put customers first while adapting to each new era.

By 2021, it had built a strong presence throughout Queensland and was beginning to expand into New South Wales. However, the banking landscape was changing rapidly. To compete with major banks and provide customers with the latest digital services, Heritage needed greater scale. But Heritage wouldn’t be able to do it alone. It needed to find the perfect partner, one with shared values of customer ownership and community focus.

‘The first thing you’ve got to do in a merger is find someone who’s got the same sort of culture and specific ideas that you have, otherwise it’s not going to work,’ says Kerry Betros. ‘Luckily, we found People’s Choice.’



PART



People's  
Choice





## CHAPTER NINE

# Foundations in Public Service: Savings and Loans

In 1948, the South Australian Public Service Association (PSA) took a step that would change banking in South Australia. It appointed a committee to explore new ways to benefit its members.

HAS 'Stoney' Mitchell, the PSA secretary, brought experience to this initiative. A solicitor from New South Wales, Stoney understood building societies and cash order systems. He recommended changing the PSA's constitution to allow for a savings and loans society, similar to those operating in New South Wales.

On 28 April 1949, the vision became a reality. PSA members gathered to create something revolutionary: a credit union that would serve their community. Sixty-seven members voted to establish the South Australian Public Service Savings and Loans Society (Savings and Loans for short). It emerged from a simple but powerful idea – to provide affordable financial services to public servants who struggled to access credit through traditional banks.

The PSA provided crucial early support through two loans: £200 interest-free, followed by a further £500 with interest. This financial backing helped launch what would become one of Australia's most significant credit unions. By June 1950, it had already attracted 131 customers and held £2,637 in assets.

Unlike traditional banks focused on generating shareholder profits, Savings and Loans operated on a different model. Every customer was an owner, with profits reinvested to benefit all through lower fees, better loan rates and improved services.



For public servants in the 1950s, the credit union provided crucial financial support. Max Potter-Medwell, who joined in 1953, explained its importance: 'You could not get money in those days, so joining Savings and Loans helped everyone out. I put in 10 shillings a fortnight from my pay. We would never have otherwise been able to borrow money in those days.'

### More than just a washing machine

In 1949, a household appliance became an unlikely symbol of financial revolution. Savings and Loans' very first loan was not for a house, a car or an investment – it was for a washing machine.

This simple request represented a profound shift in banking philosophy. In postwar Australia, washing machines were considered luxury items, putting them out of reach for many families. Traditional banks rarely provided loans for household appliances, leaving families (almost always wives and daughters) to continue their backbreaking laundry routines of scrubbing clothes by hand in soapy water.

The credit union saw things differently. Where traditional banks saw an unnecessary luxury, Savings and Loans saw an opportunity to improve a family's quality of life. That first loan did more than just finance an appliance – it demonstrated the credit union's commitment to making a real difference to working families.

Savings and Loans was also among the first institutions to lend to unwed mothers – a bold move in an era when women were routinely denied financial autonomy.

## Building societies and credit unions: what's the difference?

Building societies and credit unions share a common purpose – putting customers before profits. Both are customer-owned financial institutions that traditionally offer competitive rates on savings accounts, loans and mortgages.

Their origins tell different stories. Building societies emerged to help people buy homes, focusing primarily on mortgages and property loans. Credit unions, by contrast, formed to serve specific communities – perhaps employees of a company or residents of a particular area. Initially, credit unions in Australia were only able to provide finance for smaller purchases, but eventually this was expanded so they could provide home loans as well.

In Australia, many building societies and credit unions have evolved to become customer-owned banks. While they now operate under banking regulations, they maintain their original purpose of serving customers rather than generating profits for shareholders.



**Right** Fifty-five-year celebration booklet, 2004.

## Growing with purpose

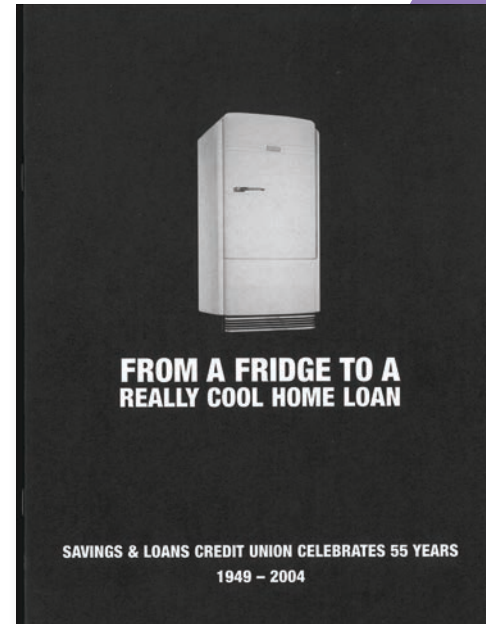
Throughout its first two decades, Savings and Loans steadily expanded its services despite operating in a highly regulated financial environment. By the late 1960s, the credit union had moved beyond basic savings accounts and personal loans to home loans, opening the door to property ownership for many public servants.

As Australia's postwar economy grew, so did the financial needs of public servants. The credit union responded by developing more sophisticated products while maintaining its focus on affordability.

Savings and Loans relocated to new premises on Wakefield Street in 1979. This move signalled the beginning of an era of technological advancement. In 1980, the installation of a Wang computer system allowed automatic updating of accounts – a revolutionary change for staff and customers.

'When I started at Savings and Loans, we were in the most antiquated building opposite the fire brigade,' recalls Donna Hewett, a long-time employee. 'We had just two tellers, and all we did was transaction after transaction. Public servants would come in and take out \$5, then come back an hour later for another \$10. That's all we did – we didn't really offer many products besides personal loans.'

In those days, paperwork was colour-coded. 'Blue forms for secured loans, green for personal loans,' Donna remembers. 'Then they started marketing and realised people wanted home loans and other services. So they



## Making lives better, one appliance at a time

Peter Edward Landers, an early customer, recalled how the credit union helped establish his household in the 1950s: 'After I married, I took out my first loan and bought a refrigerator, an item that was scarce in those days. After paying that off, we repeated the operation and bought a washing machine, then a sewing machine. So it was easy to see how I benefited.'





**Left** Donna Hewett,  
Adelaide, 1987.

got smarter and put branch managers in to handle sales while supervisors managed the staff.'

The 1980s brought rapid modernisation. Savings and Loans introduced a regular bill-paying service, children's accounts and cheque-a-month investment accounts. The installation of ATMs and fixed deposit accounts in 1981 made banking more convenient than ever.

By the early 1980s, the organisation had grown to encompass a head office and seventeen service centres. Mergers with value-aligned credit unions strengthened its position, including joining forces with SAGASCO Employees' Credit Union Ltd in 1988, Warwick Co-operative Credit Union Ltd in 1990, and SATAB Credit Union Ltd in 1991.

In 1992, new regulations required all credit unions to include 'credit union' in their official titles. The organisation considered several options – Capital, Premier, Horizon – but ultimately, at a special general meeting in 1994, customers approved a straightforward choice, changing from South Australian Public Service

## Making dreams possible


Ronald Scriven, a long-standing customer, shared how the credit union helped create lasting family memories: 'By 1974 we had four small children and I wanted them to meet my English relatives and see my old haunts, so Saving and Loans provided funds for five glorious months touring Europe in a camper van. We all agree this was one of the highlights of our lives, made possible only by an affordable loan.'



**‘They started marketing and realised people wanted home loans and other services. So they got smarter and put branch managers in to handle sales while supervisors managed the staff.’**

**Limited Offer**  
**Now you**  
**can earn up to**  
**15% P.A.**  
**Talk to your**  
**Credit Union**

For further information, write, call, phone

 **S.A. PUBLIC SERVICE**  
**SAVINGS & LOANS**  
SOCIETY LTD.

52 - 54 FLINDERS ST., ADELAIDE 5000 TEL.: 223 1694  
AND MT. GAMBIER. TELEPHONE: (087) 25 7544

Savings and Loans Society to Savings and Loans Credit Union (SA) Ltd.

By the mid-1990s, Savings and Loans had established itself as a significant force in South Australian banking. Through fifteen branches and thirty-six ATMs, it provided accessible banking services to around 70,000 South Australians. By its 50th anniversary in 1999, it had 125,000 customers and nearly \$800 million in assets.

‘When I started in 1989 [at Savings and Loans], security was completely different,’ Mike Humphrey, manager of property services at People’s Choice, recalls. ‘We had clip-activated alarms in the teller drawers and cameras that used actual film rolls. If someone set off an alarm, the camera would take about fifty photos and then security would have to come change the film. Today, we have networked CCTV that lets us monitor any branch across the country live.’

**Left** Savings and Loans poster, 1983.





## The multi-tasking queen

When the contact centre began Saturday morning operations in 1997, calls were few and far between. Pat Gargiulo, who began her career with the credit union in the '80s, found a practical way to use the quiet time.

'We didn't have much to do during those quiet Saturday shifts, so Pat brought her ironing board and headset and got her chores done while waiting for calls,' recalls Pat's colleague, Donna Hewett. 'She would answer calls with a cheerful "Good morning, Savings and Loans!", often switching to Italian halfway through, all the while doing her ironing.'

'When I first started, the switchboard had manual plugs. Staff could even smoke at the desks with customers,' Pat recalls. 'It is amazing to think how far we have come from those days to now, with digital banking and everything on your phone.'

## The Elizabeth branch hold-up

In her early career, Glenys Gesty worked at the Elizabeth branch, known as 'the fishbowl', for its glass-enclosed space. One day, the hold-up alarm – a special telephone – began to ring. After countless false alarms, Glenys thought little of it, until she saw the branch manager emerge. 'It's the real thing,' someone whispered.

The robbery itself played out quietly. 'He passed the note to the teller and she gave him the money,' Glenys remembers. 'Then he was gone.'

Everything moved swiftly after that. One employee noted down the number of the taxi the robber used to escape. Police arrived and the branch went into lockdown. 'You had to separate everyone,' she recalls.

While counsellors arrived to support staff, banking business continued as usual. 'In the middle of our counselling session, someone knocked and asked if I could do a home loan. I just walked out and did it,' Glenys says.



One of Mike's most memorable experiences came in the mid-1990s during an Armaguard strike. 'A few of us were sent to collect cash from the depot. We had to cross a picket line of unhappy, burly security guards. Inside, there were pallets of cash and ATM cassettes. They gave us about \$2 million – equivalent to maybe \$4-5 million today – to distribute to branches. We just put it in the back of the car and drove around delivering it. That certainly wouldn't happen today!'

Mike recalls the excitement when the organisation installed its first fax machine in the late eighties. 'When I started, getting our first fax machine was revolutionary. It seems quaint now, but at the time it revolutionised how we could serve our customers across different locations. Now we have multifunction devices that can print securely from anywhere in the building. It's incredible to see how far we've come.'

## New frontiers

Savings and Loans' reach extended beyond South Australia at the turn of the millennium. March 2000 saw the opening of a new branch in Palmerston, Northern Territory. This northern expansion continued with a Darwin branch in 2004, while the organisation simultaneously moved into Warrnambool, Victoria, in 2003.



**Opposite** Pat Gargiulo, Flinders  
Street head office, 1999.

**Above** Mike Humphrey, Flinders  
Street head office, 1990.



## CHAPTER TEN

### A Legacy of Mergers: Australian Central Credit Union



**Above** The ABC logo.

The story of Australian Central Credit Union demonstrates how unity creates strength. What began as several small credit unions serving specific communities grew into a significant force in Australian banking through strategic mergers and a commitment to putting people first.

The South Australian credit union movement gained momentum in August 1960 thanks to Australia's national broadcaster, the ABC, with the registration of the ABC Staff (SA) Savings and Loans Co-operative Society (ABC Mutual).

ABC Mutual began through the initiative of Adelaide evening news presenter Alan Hodgson, who served on the ABC Staff Association Committee. Drawing inspiration from an established credit union in Sydney, Hodgson invited Stan Arneil, who had successfully established the ABC credit union there, to speak with Adelaide staff.

Stan's visit proved influential. His presentation convinced ABC Staff Association members to establish their own credit union, setting in motion a series of events that would shape South Australian banking.

ABC Mutual would prove to be an early success story in the cooperative banking movement. By 1975, it had become a model for how financial institutions could support their customers while maintaining sound business practices.



**Right** Australian Central  
Credit Union branch, c. 1970s.

## Don Dunstan on credit unions, 1975

In September 1975, South Australian Premier Don Dunstan addressed ABC Mutual's AGM, offering a powerful endorsement of the credit union movement:

*Credit unions are a marvellous example of how people can work together within our economic system... In a sense, credit unions are true private enterprise – a group of people taking the initiative and starting what amounts to their own bank. The fundamental difference, of course, is that a credit union exists to benefit its customers and not to make very large profits for only a few people.*

At the time, South Australian credit unions held almost \$34 million in customer savings and more than \$30 million in loans. The speech came as Dunstan's government prepared new legislation to protect and encourage credit unions while ensuring sound management practices – a sign of how important these institutions had become.



**Above** Don Dunstan, Premier  
of South Australia, c. 1968.



**The Smart Account,  
launched in 1990,  
attracted \$19.7 million  
in deposits in its first year  
alone. This pioneering  
savings product offered  
tiered interest rates that  
encouraged customers  
to save.**

In July 1984, three credit unions came together to form Australian Central Credit Union (Australian Central for short). Each brought its own strengths and specialties: ABC Mutual with its broad member base, Australian Commissions Credit Union (formerly Postal Technicians Co-operative Credit Union) with its focus on postal workers, and South East Community Credit Union (formerly Snuggery Mutual Credit Union) serving South Australia's south-eastern communities.

The new organisation flourished from day one. In its first year, customer numbers grew by 21 per cent and total savings rose to \$58.2 million – an increase of nearly 37 per cent. The credit union quickly expanded its services, introducing personal cheque accounts and establishing a Members Property Trust.

By 1986, Australian Central began looking beyond its original borders. New branches opened across South Australia, while existing facilities in Millicent and Collinswood received modern upgrades. A significant milestone arrived with the opening of a Darwin branch, establishing the credit union in the Northern Territory.

The following year brought another important development: Australian Central entered the home lending market, signalling its evolution into a full-service financial institution.



## People before profit

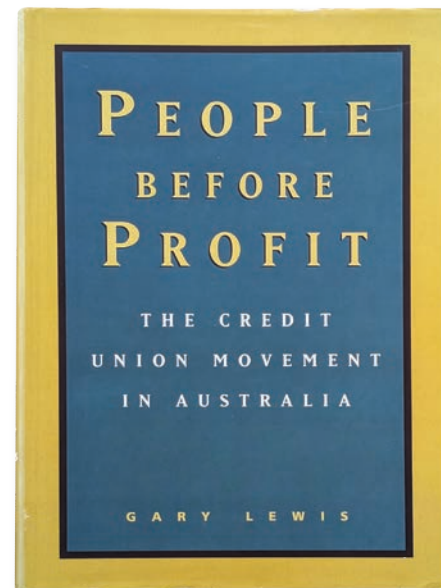
The late 1980s saw Australian Central join other credit unions in a groundbreaking TV advertising campaign. Under the banner 'People Before Profit', the ads shared real stories of Australians who discovered a different approach to banking.

The campaign highlighted stories that demonstrated the credit union difference, including:

- a single mother who received personalised support and flexible loan terms;
- a farmer who benefited from repayment schedules that acknowledged seasonal income;
- new Australians who found guidance in navigating the financial system; and
- first homebuyers who achieved their goals through higher savings rates and lower fees.

The campaign captured the essence of customer-owned banking – financial institutions that serve their communities rather than shareholders. This philosophy had been part of the credit union movement since its inception, as detailed in Gary Lewis's 1996 book *People Before Profit: The Credit Union Movement in Australia*:

*A credit union is its members... The credit union motto is 'Not for Profit, Not For Charity, But for Service' and their basic philosophy is simple: an agreement to save together and to lend each other money on favourable terms.*



**Above** *People Before Profit*, 1996.

## Community spirit in action

Throughout the late 1980s, Australian Central found smart, practical ways to support the community. It launched a Youth Scholarship Program offering overseas work experience to high achievers from South Australia and the Northern Territory. Local football and netball teams got a boost through sponsorships, while fundraising through its community lottery brought everyone together.



## The late 1980s and early 1990s represented a period of growth for Australian Central thanks to carefully chosen mergers.

### Smart banking

The Smart Account, launched in 1990, attracted \$19.7 million in deposits in its first year alone. This pioneering savings product offered tiered interest rates that encouraged customers to save.

By 1990, Australian Central had established itself as a leader in innovation. The organisation introduced an automated loan approval system (LARS) that enabled same-day processing and developed more efficient customer services.

### Growing stronger together

The late 1980s and early 1990s represented a period of growth for Australian Central thanks to carefully chosen mergers. Whyalla Credit Union joined the fold, strengthening services in the industrial city of Whyalla, while Adelaide United Credit Union, which grew from the Adelaide Central Mission, contributed valuable experience in community service. The addition of Mutual Community Building Society enhanced the organisation's mortgage expertise.

These mergers paid off. By 1990, Australian Central had become the largest credit union in South Australia and the Northern Territory, with assets exceeding \$190 million. Despite challenging economic conditions and high interest rates, it maintained competitive rates while expanding services.

The 1990s and early 2000s brought further opportunities for expansion: Flinders Credit Union enhanced Australian Central's customer base, and Northern Territory Credit Union (NTCU) strengthened the organisation's presence in the Top End.

Each merger contributed unique local knowledge and expertise.

Australian Central stayed committed to financial education throughout this period. It ran school banking programs, hosted financial workshops and supported local counselling services. The organisation also developed flexible solutions for diverse needs, offering seasonal loans for farmers and financial literacy programs for new Australians.



**Right** Australian Central  
Casuarina branch, opened  
in 2004.



**Top** Whyalla Credit Union plaque.

**Above** Australian Central  
\$500-million milestone plaque, 1995.



**Above** Credit Union Bell Award,  
presented in 1998.





## CHAPTER ELEVEN

### Growth Through Unity: People's Choice

For decades, Savings and Loans and Australian Central operated as friendly rivals in South Australia's financial sector. They shared a fundamental belief: banks should answer to customers, not shareholders.

By 2009, each had carved out its own space in South Australia's financial landscape. Australian Central had expanded from its ABC origins to serve communities across South Australia and the Northern Territory. Savings and Loans, established in 1949 to serve public servants, had grown to become a leader in financial services.

As the Global Financial Crisis rippled through the banking sector, the two institutions recognised an opportunity. Rather than face economic uncertainty alone, they could create something stronger – a credit union with the scale to challenge major banks.



**Right** The new People's Choice board, (L-R) Anne Skipper, John Cossons, Peter Evers, Terry McGuirk, Rosemary Brooks, Bill Cossey, Mark Day and Jan McMahon.

**Middle and below** Opening of Australian Central branch in Darwin, 2008.



Savings and Loans Chair Bill Cossey said looking after the members was the highest priority.

*Our members' interests have been the most important consideration in our discussions.... [They] overwhelmingly supported our decision to merge, which followed months of negotiations and planning between the Boards of our heritage credit unions. This decision... means we will offer an even stronger alternative to the big banks; an alternative that's run by members, not numbers.*



To Australian Central Chairman John Cossons, joining forces made perfect sense.

*This merger will provide us with the scale to provide a great member-owned financial organisation. By joining forces, we will be better equipped to take advantage of the opportunities presented by the changing face of banking in Australia in the wake of the economic crisis.*





**The  
numbers  
behind the  
merger:**

**30**  
**staff**

**32**

branches across  
multiple states

**\$3.7**  
**billion**

in assets under  
management

**166,000**  
**customers**

**While combining two large organisations presented practical challenges, a shared dedication to customer service helped bridge the differences. The focus remained on providing excellent banking services.**



## A historic union

Long-term staffer Ian Lilburn, who worked for Australian Central at the time, recalls the news coming as a surprise. Then-CEO Peter Evers delivered the news in waves, gathering employees on a vacant floor of the building.

‘It was a big shock,’ recalls Ian. ‘At that stage, no one really expected mergers – that wasn’t something credit unions were doing a lot of. It was a pretty well-guarded secret.’

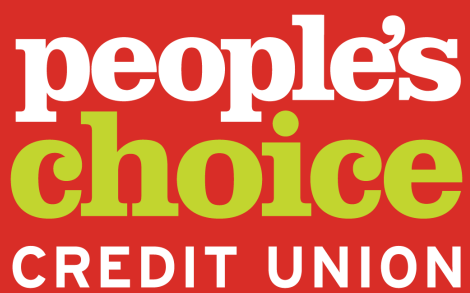
The merger created one of Australia’s largest customer-owned banking organisations. It meant being able to offer more competitive products while maintaining the personal service both credit unions were known for. Digital banking services were enhanced. Branch hours were extended. And crucially, during a time when many banks were pulling back, the newly merged credit union continued lending to customers who needed support.

The merger proved the resilience of customer-owned banking during the Global Financial Crisis. By maintaining strong capital reserves and focusing on customer needs rather than shareholder returns, the organisation provided stability when customers needed it most.

The merger brought together two organisations, each with its own established ways of working. Employees had built their careers around familiar routines.

While combining two large organisations presented practical challenges, a shared dedication to customer service helped bridge the differences. The focus remained on providing excellent banking services throughout the transition.



The logo for People's Choice Credit Union is displayed within a red speech bubble. The word 'people's' is in white lowercase letters, 'choice' is in large green lowercase letters, and 'CREDIT UNION' is in white uppercase letters.

people's  
choice  
CREDIT UNION

**Above** The People's Choice logo.

**Opposite above**  
People's Choice bus stop advertisement, 2012.

**Opposite below**  
People's Choice PJs Run advertisement, 2014.

## A new identity emerges

The search for a new name came with unexpected hurdles. When 'People's Credit Union' was initially proposed, it met with swift resistance from members who felt it sounded 'too communist'. The team went back to the drawing board to find a name that would resonate with all customers.

In 2011, after extensive consultation, a new name that would reflect the organisation's purpose was chosen: People's Choice Credit Union. It was more than just a new brand – it was a statement about who the organisation served and how it operated.

For long-time employee Donna Hewett, the rebranding stands out vividly. 'The transition brought significant changes,' she says. 'The bright "sunnyside green" and red colours were quite a surprise at first, though they grew on me.'

Ian Lilburn recalls the bold colour choices creating discussion. 'The colours were controversial,' he says. He notes with amusement that those choices impacted the organisation years later. 'As we transform into People First Bank, we are replacing green joinery, red joinery, green flooring and green paint. Neutral colours might have been easier!'



The newly named People's Choice Credit Union expanded while staying true to its personal approach. In the post-merger years, the organisation enhanced its digital capabilities and introduced advanced banking platforms, ensuring customers could access services conveniently without sacrificing the personal service that had always been its hallmark.

People's Choice gave customers a robust alternative to traditional banks. Support hours were extended, products became more competitive, and community investment increased. Through competitive rates and innovative products, it demonstrated its commitment to customer-focused banking. This approach proved particularly valuable as Australians reconsidered their relationships with major banks.

The union of Australian Central and Savings and Loans created more than a larger financial institution. It showed how customer-owned banks could expand while maintaining their core values.

The insights gained during the 2009 merger and subsequent rebranding shaped how People's Choice approached change. One simple question guided every decision about technology updates and service expansion: how would customers benefit?





## CHAPTER TWELVE

### Beyond Borders



**Above** Territory Insurance Office (TIO) logo.

Building on Australian Central's established Northern Territory branches, People's Choice took a significant step forward in late 2014. The organisation purchased the banking division of the Territory Insurance Office (TIO) from the Northern Territory Government.

Peter Evers, then managing director of People's Choice, saw the acquisition as a watershed moment for customer-owned banking, stating, 'This acquisition proves there are opportunities for the mutual sector to grow due to our strong value proposition.'

#### A careful integration

People's Choice approached the TIO integration strategically, with four branches already operating in the Territory. The organisation prioritised continuity, ensuring TIO Bank employees retained comparable positions and benefits.

The deal was completed on 2 January 2015. At a time when major banks dominated the financial landscape, the acquisition demonstrated that customer-owned banking could provide genuine alternatives.

**Opposite** Announcing People's Choice Credit Union's acquisition of TIO, 2014.



## The TIO acquisition

The 2014 deal transformed banking in the Northern Territory.



Customer deposits:

**\$124**  
million

Loan portfolio:

**\$570**  
million

**8000**  
new customers

**At a time when major banks dominated the financial landscape, the acquisition demonstrated that customer-owned banking could provide genuine alternatives.**



**This balance of expansion and community connection positioned People's Choice as a strong alternative to traditional banks.**

**Right** A rediATM used by People's Choice and other credit unions.



## Innovation in Victoria

People's Choice took a fresh approach to Victorian expansion. Instead of opening more branches, the organisation partnered with independent mortgage brokers throughout the state. This strategy allowed People's Choice to reach new customers without the costs of establishing physical locations.

The Victorian strategy built on success with brokers in the Northern Territory. Through the broker network, total customer loans and advances surpassed \$8 billion by 2021. The retail deposit portfolio also flourished, growing more than 5 per cent to reach \$7 billion.

## Digital evolution

People's Choice invested substantially in its digital infrastructure, enhancing its website with improved calculators and a user-friendly interface. Behind the

scenes, new customer relationship management systems and advanced telephone technology strengthened service delivery.

The organisation developed comprehensive financial solutions to serve its growing customer base. Home loans, credit cards, transaction and savings accounts, and insurance products met diverse customer needs across multiple states.

## Setting the stage

Despite its growth beyond South Australia, People's Choice maintained its local focus. This balance of expansion and community connection positioned People's Choice as a strong alternative to traditional banks. It showed that growth need not come at the expense of customer-owned values. This would prove valuable in the organisation's next chapter: the historic merger with Heritage Bank to create People First Bank.





**Above** Helping customers  
at the Flinders Street  
branch, 2015.



## CHAPTER THIRTEEN

### The Human Touch in Banking

In banking, success is often measured in numbers – profit margins, interest rates, market share. But for many of People’s Choice’s people, success had a more personal measure: the strength of relationships built over generations.

For long-serving staff member Pat Gargiulo, these relationships brought special joy. Over her years with People’s Choice, she watched young families grow and prosper. ‘I have done loans for children of our customers that I met when they were babies, and now they want their own first home,’ she says. ‘I just get a real thrill out of that. It is wonderful.’

These connections ran deeper than typical banking relationships. Pat often received invitations to customer weddings and family celebrations. When customers faced difficulties, she provided practical and personal support. ‘If I know customers are going through something difficult, I will bring them a cake,’ she says. ‘We all go through hard times.’

#### Supporting every customer

Not all banking needs are the same. For customers facing additional challenges, the personal touch at People’s Choice could make a profound difference. Rosalie Rogers’ story demonstrates how this approach helped vulnerable customers manage their finances with dignity.

For more than three decades, Rosalie trusted People’s Choice and its predecessors with her banking. Living with cognitive memory issues from a childhood brain injury, she found the patient, understanding service invaluable.



Staff were never too busy to take time to help her sort through her finances, explaining what she could and could not spend and assisting her with phone banking.

Most importantly, they were on hand to protect her from financial harm. When scam attempts began and her daughter was not available, Rosalie knew she could rely on branch staff for guidance. 'They understand me. They help me, and I do not get confused,' she says. 'They are patient when I go to do things and sit down to talk with someone.'

'Our frontline staff are almost like detectives,' says CEO Steve Laidlaw. 'There are many examples where they've identified customers who might be suffering from domestic violence, elder financial abuse or scams just through subtle behaviours or mannerisms. Their level of care and depth of investigation to make sure that customer is alright and protected is sometimes simply overwhelming. These are classic examples of the culture of our organisation and the very good people who work with us.'

This dedicated support has earned deep loyalty from Rosalie. 'I would never, ever change to another bank,' she says.

## Banking in the digital age

As technology transformed banking, People's Choice faced a key challenge: maintaining personal connections while embracing digital innovation. The organisation understood that customers had different needs and comfort levels with technology.

Donna Hewett saw this evolution unfold during her years with People's Choice. 'Having everything on your phone or your watch is fantastic. It is so convenient,' she says. But she also recognised that technological change could overwhelm some customers, particularly older ones. Her solution was straightforward: help customers learn at their own pace. The transition from manual processes to digital banking wasn't always smooth, but Donna found that taking time to demonstrate new technologies, like showing customers how to use the banking app on their phones, helped bridge the gap between old and new ways of banking.





## A night of stars

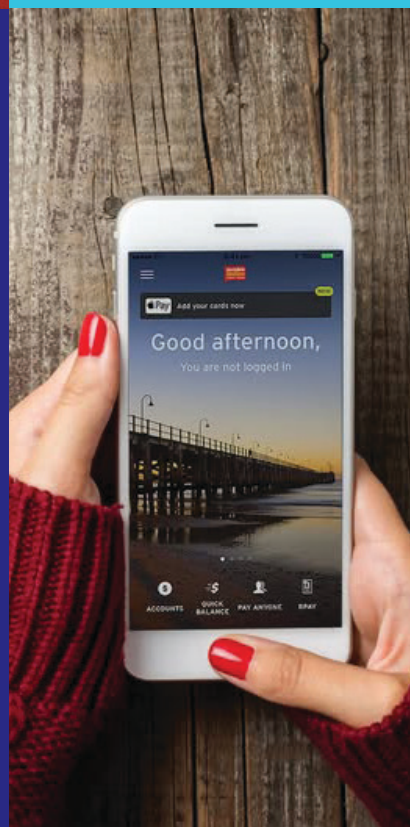
The organisation found creative ways to bring staff together. Pat Gargiulo remembers a memorable staff event: 'One year, we had something called Dancing with the Stars. They actually paid for couples who worked for People's Choice to learn to dance. We had to dress up. I was one of the compères. I was so nervous. But it was one of the best nights I could ever remember.'

## Teaching tech at eighty-four

Some of the most rewarding moments in banking come from unexpected places. For Glenys Gesty, who served more than forty years with the organisation, one such moment arrived when an eighty-four-year-old customer visited the branch seeking help with digital banking.

The customer was initially wary of mobile banking apps, a common concern among older generations. But Glenys and her team took time to guide her through each step. Their patience paid off. The moment the customer successfully paid her first bill through the app, her face lit up. She could not wait to tell her family she was now a 'youngie'.

This small victory meant more than just a successful transaction. It represented independence, confidence and proof that with the right support, banking technology can empower customers of all ages.



**Above left** Face-to-face customer interactions help ensure confidence with new technologies, 2015.

**Left** People's Choice app, 2018.



## Recognising good people

People's Choice built its success on understanding that great customer service starts with supporting staff. Recognition programs celebrated milestones and achievements, creating an environment where people could thrive.

Glenys Gesty's career shows the opportunities for growth within the organisation. Starting as a casual service consultant, she progressed to branch manager through hard work and dedication. 'The culture at People's Choice is family-like, caring and built on trust,' she says.

Pat Gargiulo's proudest memory came when she was named 'Inspiring Individual of the Year'. Another highlight was when her thirty years of service earned special recognition from the board at a morning tea held in her honour.

'Being recognised for my service meant so much,' Pat says. 'To have the board there personally congratulating me showed how much they value their people.'

The organisation's care for staff went beyond celebrations. When Pat faced family illnesses, she found genuine understanding. 'The company gave me two months off when I was going through a particularly difficult time,' she says. 'That level of support showed me what type of organisation this truly is.'

This approach created strong loyalty among staff. Many, like Pat and Glenys, stayed with People's Choice for decades, passing on their experience and values to new generations of employees.

## Leading by listening

At People's Choice, the commitment to personal connection started at the top. CEO Steve Laidlaw understood that putting customers first meant ensuring that the organisation and the people it served were in sync.

*The key point of difference for People's Choice and the mutual sector more broadly is that absolute alignment between our ownership structure and our customers. They are one and the same. If you look at what has been going on with the larger banks, there is that tension between trying to achieve a shareholder return and doing the right thing by your customers. For us, it is all about the customer. It is the whole reason we are here.*

Donna Hewett expressed the sentiment shared by many: 'We are there, first and foremost, for our customers, and we always will be. We put people first – that is, people we work with and also who we are there to help.'



## CHAPTER FOURTEEN

### A Commitment to Community



**Above** Christina Grainer, alongside Managing Director Peter Evers, wins first prize in the People's Choice Community Lottery, 2003.

For People's Choice, banking always meant more than handling money – it was about creating positive change in communities. As a customer-owned organisation, success came from community impact as much as financial results.

The People's Choice Community Lottery stands as one of Australia's largest community fundraising initiatives. Its approach was straightforward: People's Choice would facilitate the administration, advertising, prizes and tickets so that community groups participating could keep every dollar from tickets they sell. From small community sporting clubs buying equipment to large charities funding vital programs, this model helped countless groups across South Australia, Northern Territory and Victoria to fund essential projects and services.

Since its inception in 1984, the Community Lottery has raised \$22 million for local organisations.



## As a customer-owned organisation, success came from community impact as much as financial results.

People's Choice chose partnerships that created enduring community value. None proved more beloved than its involvement with the Credit Union Christmas Pageant, which it supported alongside other credit unions for twenty-three years.

The pageant holds a special place in Adelaide's cultural heart. Since Sir Edward Hayward of John Martin's department store launched the event in 1933, it grew to become one of the world's great parades. More than 325,000 people would line Adelaide's streets each year to welcome Father Christmas to Australia, marking the start of the festive season.

In 1996, when John Martin's ended its sponsorship, Australian Central and Savings and Loans joined other credit unions to preserve this cherished tradition. Their support helped the parade expand to new heights, with 85 sets, 63 floats and more than 1700 volunteers delighting generations of South Australian families.

The pageant's significance extended beyond entertainment – it earned recognition as a heritage

icon from the National Trust of Australia and became an official state institution.

'The Christmas Pageant was fantastic,' Donna Hewett says. 'It was really good for South Australia that it was the Credit Union Christmas Pageant. It got so much exposure and was wonderful for staff involvement. Everyone would come along to watch, and people would yell out your name as you walked down the street. It was beautiful.'

Mike Humphrey also has fond memories of participating in the Christmas Pageant: 'One year, I was a clown on a bike. With 300,000-400,000 people watching, it was amazing to be part of such a massive community event.'

The event proved fantastic for staff engagement, with People's Choice employees participating as clowns or on themed floats. Extensive training was provided to ensure everyone represented the organisation with appropriate pageant flair. After the event, People's Choice hosted an after-party to thank staff for their involvement.





The Credit Union Christmas Pageant in 2014 (above) and 2016 (left and opposite).



A large elephant float is the centerpiece of a parade. The elephant is brown and has its trunk raised. It is carrying a large sign that reads "2016 CREDIT UNION CHRISTMAS PAGEANT". The float is on a decorated base with orange and purple triangles. People in costumes are walking alongside the float. The background shows city buildings and trees.

# 2016 CREDIT UNION CHRISTMAS PAGEANT





**Left** Scenes from the Undies Run, 2017.



## The People's Choice Undies Run

In January 2018, more than 1600 brave individuals stripped down to their underwear and sprinted through Adelaide's East End. This was the sixth and final People's Choice Undies Run for Bowel Cancer, an event that had become a beloved fixture of the Santos Tour Down Under cycling festival.

What began in 2013 as a cheeky challenge became a powerful catalyst for change. The premise was simple: participants would run 1.7 kilometres in their underwear, demonstrating that a bowel cancer screening test is far less embarrassing than running through Adelaide undressed. Bowel cancer is often curable if detected early, but people avoid screening due to embarrassment. The Undies Run turned that embarrassment into empowerment.

Over its six-year lifespan, the Undies Run raised more than \$880,000 for Cancer Council South Australia. These funds supported vital research, prevention programs and support services for those affected by bowel cancer – then South Australia's third most common cancer.



**For People's Choice, true community commitment showed through the actions of its people. The organisation supported this through paid volunteering leave, enabling staff to contribute to worthy causes while receiving their normal salaries.**

### **Stories of service**

For People's Choice, true community commitment showed through the actions of its people. The organisation supported this through paid volunteering leave, enabling staff to contribute to worthy causes while receiving their normal salaries.

Staff volunteered at the Christmas Pageant, local sporting events, charitable organisations, environmental initiatives and youth mentoring programs, creating meaningful connections with their communities.

Donna Hewett remembers one particularly moving experience. 'One of the most moving volunteer experiences was at the Salvation Army,' Donna recalls. 'People would come in to pick out Christmas presents for their kids. My daughter came with me and was shocked to see how many people were struggling. We did that

every year because I felt being there with these people was important. My daughter would bring her friends along. It was very confronting but meaningful work.'

This focus on service became fundamental to People's Choice's identity. From major partnerships to small acts of kindness, the organisation showed that community engagement was at its core.

When Pat Gargiulo chose to use her paid volunteering leave from People's Choice, she too wanted a meaningful experience to share with her daughter. She found it at Fred's Van, a St Vincent de Paul Society initiative supporting people experiencing homelessness.

'We would cook and serve meals,' Pat recalls. 'My daughter and her friends came with me, and it was a really eye-opening experience for them. It is such a good way to give back.'



The service began modestly in the late 1980s, operating from an old station wagon. It grew to serve approximately 550 meals each week across eight Adelaide locations and two regional sites in Port Lincoln and Port Pirie.

People's Choice staff joined more than 600 volunteers who kept this essential service running. They prepared and served nutritious meals and distributed blankets, clothing and food vouchers. These interactions created opportunities for people experiencing hardship to connect with additional support services.

For volunteers like Pat, Fred's Van provided more than a chance to serve meals. The personal connections helped break down barriers of isolation and loneliness, demonstrating how a financial institution could contribute to building stronger, more inclusive communities.

**The personal connections helped break down barriers of isolation and loneliness, demonstrating how a financial institution could contribute to building stronger, more inclusive communities.**





**Above** Starlight Christmas  
Appeal, 2022.



## CHAPTER FIFTEEN

### Building the Future of Banking



**Above** Online banking with People's Choice Credit Union.

As banking evolved from paper to digital, People's Choice took a balanced approach. A mobile banking app, launched in 2015, gave customers the freedom to manage finances anywhere, anytime. Yet People's Choice understood that customers wanted choices. While embracing innovations that improved customer experiences, the organisation never lost sight of what mattered most – banking that works for people, not the other way around.

This commitment to providing multiple service channels proved especially valuable during the Covid-19 pandemic. As face-to-face interactions became restricted, branches continued operating with enhanced safety measures while digital services provided seamless alternatives.

In 2020, People's Choice was mid-way through an ambitious technological upgrade, committing \$43.1 million to improvements.

This transformation wasn't just about system upgrades – it was about making life easier for both customers and teams. A new platform gave staff a complete view of customer information. AI handled routine tasks and uncovered insights, and better system connections made collaboration seamless.

These changes reshaped operations fundamentally, and old divisions between departments dissolved as new collaborative approaches emerged.

'When I started, we'd have five teller windows and separate inquiry areas,' remembers Glenys Gesty. 'Now we might have just one teller/cash recycler. The branches are more like cafés now – open spaces where you can sit and have a chat. But what hasn't changed is our focus on helping people achieve their dreams, whether it's their first home loan or learning to use digital banking. We still have customers I helped thirty years ago who come in to say hello.'





**Above** The People's Choice head office, 50 Flinders Street, Adelaide.



## A new home in Adelaide

In 2016, a striking addition appeared in Adelaide's cityscape. The new People's Choice head office at 50 Flinders Street would change not just where people worked, but how they worked together.

Developed by Cbus Property, 50 Flinders Street quickly became one of Australia's most environmentally advanced commercial buildings, earning both a 6-star Green Star rating and a 6-star NABERS Energy Rating.

The move also coincided with a transition to a paper-light strategy. 'We reduced paper usage by 70 per cent,' Ian Lilburn says proudly.

The building incorporated smart design elements: energy-efficient lighting, climate control systems and natural temperature regulation. Natural light flooded work areas through floor-to-ceiling windows, while advanced air circulation systems kept spaces fresh and comfortable.

**Above** Chairman John Cossons and South Australian Premier Jay Weatherill at the opening of the new People's Choice head office, 2016.



## A moment in time

The name of one of 50 Flinders' most cherished spaces, an outdoor eating and relaxation area on the 13th floor, came from a competition. Donna Hewett contributed her own piece of history when she came up with the winning name. 'We called it "The Terrace"', she says. 'Very simple, but I got a lot of chocolates for it!'

Gone were fixed desks and closed offices. Instead, 50 Flinders Street featured an open-plan layout that encouraged movement and collaboration, with flexible workspaces.

'The new office creates an environment that encourages teamwork while maintaining efficiency,' CEO Steve Laidlaw told reporters shortly after it opened.

The transition to flexible working brought both excitement and challenges. 'We set up an Experience Centre where people could spend a week or two working in the new environment before we moved,' says Mike Humphrey. 'It helped people adjust to the idea of not having their own desk anymore.'

People's Choice's commitment to sustainability extended beyond its new headquarters. The organisation earned carbon neutral certification, began transitioning to hybrid vehicles, and introduced Green Car Loans with lower interest rates for environmentally friendly vehicles.

When Covid-19 arrived in 2020, the building's flexible design and existing remote work technology allowed 80 per cent of staff to work effectively from home within days. This demonstrated how modern banking infrastructure could support both environmental and operational excellence.



**Below** Kurna Elder Uncle Tamaru  
leading cultural awareness training, 2022.

## Walking together

In May 2022, People's Choice began its formal journey toward reconciliation by developing its first Reconciliation Action Plan (RAP). This important step showed the organisation's dedication to building stronger relationships with First Nations peoples and communities across Australia.

The first step was a Reflect RAP, which helps prepare an organisation to engage in reconciliation meaningfully. The initial Reflect RAP came from within the organisation itself, with employees across different areas driving its development. This twelve-month plan focused on four essential areas: relationships, respect, opportunities and governance.

Through the RAP, People's Choice committed to:

- developing meaningful relationships with First Nations stakeholders;
- deepening understanding of First Nations perspectives and experiences;
- creating clear goals for promoting positive change; and
- taking practical steps toward reconciliation.

The initiative represented more than just a document – it marked the beginning of a long-term commitment to make positive changes and contribute to a better

Australia. Examples include the introduction of Acknowledgement of Country protocols, employee cultural awareness training, partnering with First Nations-owned organisations and active participation in reconciliation efforts such as NAIDOC Week and National Reconciliation Week. In 2025, People First Bank launched its new Innovate RAP for the merged organisation, continuing this focus.





## A moment in time

A Reconciliation Action Plan (RAP) provides organisations with a structured approach to support the national reconciliation movement. A Reflect RAP, which marks the start of the reconciliation journey, helps organisations build the foundations needed for long-term positive change.

## Looking to the future

After more than seven decades serving South Australians and Territorians, People's Choice had established itself as more than just a financial institution – it was deeply woven into the fabric of its communities.

By 2021, it had built a strong presence throughout South Australia, Victoria and the Northern Territory. However, the banking landscape was changing rapidly. To compete with major banks and provide customers with the latest digital services, People's Choice needed greater scale. But a merger partner would need to share its unshakeable commitment to customer-owned banking and community values.

The answer would come through a chance meeting in Belfast, where newly-appointed CEO Steve Laidlaw met his Heritage Bank counterpart Peter Lock at the World Council of Credit Unions Conference. The two history buffs found themselves exploring the city's landmarks while discussing their shared vision for mutual banking in Australia.

'Very early on, we started talking about the opportunities and shared values around the mutual banking sector,' Steve recalls. 'We always felt that if there was an opportunity sometime in the future, it would be worthwhile to explore bringing our businesses together.'

Through this meeting in a city known for division, the seeds were planted for a union that would create Australia's largest customer-owned bank.



## Pandemic response

Supported nearly

**3000**  
**customers**

with hardship assistance

**2x**

Doubled contact  
centre capacity

Maintained  
branch services  
with safety  
protocols

Increased financial  
planning support by

**50%**





People  
First  
Bank



## CHAPTER SIXTEEN

### A Merger of Vision

Sometimes, the biggest decisions happen in the most ordinary places. On an evening in Brisbane in 2021, four banking executives met at a steakhouse. Over glasses of red wine and dinner, they would lay the foundation for one of the most significant developments in Australian customer-owned banking.

At the table were the leaders of two of Australia's most respected customer-owned financial institutions: Chairman Michael Cameron and CEO Steve Laidlaw of People's Choice, and Chairman Kerry Betros and CEO Peter Lock of Heritage Bank. Both organisations had been considering their futures, knowing that additional scale would help them better serve their customers. But finding the right partner had proven challenging.

The conversation flowed easily. As they discussed their organisations' values, community connections and vision for the future, it became clear they had found something special. 'Out of all the mutuals available, it seemed like a good match,' Michael Cameron recalls.

What happened next demonstrated the true spirit of customer-owned banking. To ensure the merger would be genuine and equal, both institutions' leaders needed to make personal sacrifices.

Kerry, who had served Heritage Bank for more than three decades and guided it through much of its 150-year history, offered to step aside as chair. 'Michael, you have more experience in the sector; you should be chair,' he said, agreeing to take the role of deputy chair.





The executive leadership required similar consideration. Peter Lock would serve as CEO initially, with Steve Laidlaw of People's Choice taking the position of deputy CEO. The arrangement included a clear succession plan: after approximately eighteen months, Steve would step into the CEO role when Peter retired.

This careful balancing of leadership positions helped ensure that neither organisation would dominate. The merger would be supported by equal representation at every level: six directors from each organisation would form the new board, and there would be dual head offices in Toowoomba and Adelaide.

'By the time we finished our main course, we had established all the key principles,' Michael recalls. These foundational agreements became the reference point for all subsequent merger discussions.

With the framework established, both organisations turned their attention to securing necessary approvals. The merger required signoffs from both the Australian Prudential Regulation Authority and the customers of both organisations.

The leadership team presented their case: this was a true partnership of equals that would create Australia's largest customer-owned bank. The careful balance struck at that Brisbane steakhouse proved crucial. When presenting to their customers for approval, the organisations could demonstrate genuine equality in the merger. Each institution would maintain strong representation in leadership, and neither would lose its connection to its home base.

On 16 November 2022, customers of both organisations voted overwhelmingly in favour of the merger. The deal was completed on 1 March 2023, creating Australia's leading customer-owned bank.





**Opposite** (from top) Peter Lock and Steve Laidlaw; Michael Cameron; Kerry Betros.

**Right** The Heritage and People's Choice interim brand logos.

**Heritage Bank**  
*People first.*

**People's  
Choice**  
Banking for life

## Why join forces?

The challenges facing customer-owned banks were evident. In an industry dominated by listed banks, smaller institutions encountered rising compliance costs and the need for constant technological advancement. Scale had become crucial for survival.

‘One of the problems in the finance industry is your capital,’ explains Kerry. ‘When you do not have shares, when you are mutual, it is very hard to raise capital.’

But the merger vision extended beyond increasing size. Both Heritage Bank and People's Choice saw an opportunity to create something new – a customer-owned bank with the resources to challenge traditional banks while maintaining its community focus.

The numbers told part of the story. As Heritage Bank and People's Choice prepared to join forces, they were remarkably well-matched. People's Choice managed \$10.4 billion in assets while Heritage Bank held \$11.7

billion, and they had similar numbers of employees and customers.

Each organisation brought distinct strengths. Heritage's deep connections in Queensland and its branches in New South Wales complemented People's Choice's presence in South Australia, Victoria and the Northern Territory.

When board members from Heritage Bank and People's Choice first met over dinner, what was planned as quick introductions turned into an evening of shared values and vision. As each person spoke about their connection to customer-owned banking, meals came and went. By dessert, they were still making introductions – each person had spoken for fifteen or twenty minutes about their hopes for the merged organisation.

‘There was surprising consistency about what people felt and why they were there,’ Michael says. ‘There was universal excitement about the merger and how much we were looking forward to working together as a group.’



## The numbers

Following the merger, People First established itself with:

**2000**  
employees

More than

**700,000**  
customers

The status of  
Australia's largest  
customer-owned  
bank

More than

**\$23**  
billion

in assets

**‘We knew we needed to preserve  
the local knowledge and relationships  
built up over generations.’**



**Below** Chairman Michael Cameron addresses local stakeholders at a post-merger event in Toowoomba, 2023.



## A new beginning

At midnight on 1 March 2023, teams in Toowoomba and Adelaide were publishing hundreds of new corporate documents for the historic merger. When the clock struck twelve, marking the official start of the merged organisation, staff paused their work to celebrate together on a video call.

‘We all stopped to share that moment,’ recalls Process Documentation Officer Lana Kowalewski. ‘There was such excitement knowing we were witnessing the birth of what would become People First Bank. It was the start of our new journey together.’

## Bringing teams together

The merger brought significant changes for the 2000 employees across both organisations. Teams that had operated independently now needed to work as one. New systems had to be integrated, and slightly different ways of working needed to align.

In mergers between large organisations, the usual approach involves consolidating operations in a single location. When Heritage Bank and People’s Choice came together, they chose a different direction.

The decision to maintain both the Toowoomba and Adelaide offices as key corporate and operational hubs emerged as an early non-negotiable.

‘Growing up in Adelaide, I watched large corporates move their head offices out, time and time again,’ Steve

reflects. ‘Peter and I didn’t want those regions to lose their large employers and head offices. It breaks up families and you lose critical mass in those regions. So we locked the two-headquarters model into the constitution.’

‘We knew we needed to preserve the local knowledge and relationships built up over generations,’ explains Kerry. ‘Both organisations had strong ties to their communities that we did not want to disrupt.’

The solution balanced practicality with tradition. Board meetings would rotate between the two locations, with both offices maintaining vital operational functions. This arrangement preserved expertise and relationships in both states while supporting the bank’s national growth ambitions.





## CHAPTER SEVENTEEN

### Building People First Bank

The merger of Heritage Bank and People's Choice created an opportunity to build something new – a bank that would challenge traditional banking while staying true to its roots.

Ian Lilburn had seen mergers before. Having been through the union of Australian Central and Savings & Loans that created People's Choice, he noticed key differences this time.

'The merger with Heritage was easier because we were in different states,' he says. 'When People's Choice was formed, we had two of everything in the same city. We had to close branches that were just duplications. This time, Heritage had 60-odd sites in a different state. It made our network bigger rather than creating overlaps.'

#### What's in a name?

When Heritage Bank and People's Choice announced their intention to merge in 2021, they shared a vision of creating Australia's leading customer-owned bank. But first, they needed a name that would capture their shared values and ambitions.

The search proved complex. Copyright laws restricted the use of generic terms, and many promising options were already taken.

'Peter Lock and I tried everything to come up with the right name,' Steve says. 'We enlisted high-powered marketing agencies, used AI name generators, and spent late nights brainstorming, sometimes with the help of a glass of red. Some really questionable suggestions came up, especially from ChatGPT! But we ended up with People First Bank, which was ironically where we started.'



## Key merger milestones:

August  
2021

Merger discussions  
announced

April  
2022

Merger plans  
confirmed

November  
2022

Customer vote  
approves merger

March  
2023

Day one  
of merged  
organisation

November  
2023

People First brand  
announced





## Anatomy of the People First logo

The logo brings together three distinctive forms, creating both a 'P' and the number '1'. These shapes, working in harmony, symbolise the power of community and the bank's promise to put people first.

The brand colours were chosen to reflect:

- trust and stability through the deep 'ribbon blue';
- warmth and accessibility through vibrant accent colours; and
- optimism and energy in the overall design.

Heritage Bank had long used 'people first' as a tagline in its communications and held the trademark. The phrase resonated with both organisations - it acknowledged People's Choice's identity while expressing Heritage's longstanding commitment to putting customers before profits.

The name spoke directly to what sets customer-owned banking apart from traditional banks. While listed banks balance customer interests against shareholder returns, People First exists solely to serve its customers.

'Sometimes you have to go on a journey to realise you had it right at the beginning,' says Steve.

The visual identity of People First Bank needed to convey warmth and accessibility. The new logo symbolises unity and trust, while the modern colour palette represents security and optimism about the future.

As the new People First brand took shape across community initiatives and internally, branches across Australia began their transformation. These changes went beyond new signs and colours – they reimagined how customers and staff could interact.

Research showed that many people did not see themselves as 'members' of their bank in the way they might belong to a sporting club or professional organisation. For some, the term suggested exclusive membership might be required to bank with People First.



## A standing ovation

At one of the first joint events after the merger, Heritage and People's Choice staff came together to celebrate long service and exemplifying the organisation's values and risk culture. With thirty-five years of service, Pat Gargiulo, the longest-serving staff member, found herself called to the stage by CEO Steve Laidlaw.

'I had a standing ovation from former Heritage people that I had not even met,' Pat recalls. 'I was so embarrassed!'

Unbeknownst to Pat, one of the marketing team members – a friend of her daughter – captured the moment on video and sent it to Pat's family. The celebration showed how two organisations were already becoming one, with former Heritage staff eager to recognise the dedication of their new colleagues.

'Steve and the Heritage gang really made me feel special,' says Pat.

The shift to referring to 'customers' rather than 'members' reflected this understanding. It was a careful balance – maintaining the personal connections and service that set People First apart while using language that felt more natural to the people it served.

The meaning of trust in banking has evolved significantly, according to Steve Laidlaw. 'If you go back to the genesis of banking, trust initially meant "if I put my money in the bank, it will be safe, and I can pull it out at a future date." Through the Banking Royal Commission, what people really wanted to see was a more basic tenet – that the bank will do the right thing by me.'

Today, Steve notes, trust has broader implications. 'Now, trust has evolved even further to be an organisation with a good social conscience that will do the right things by the environment, invest into the community and support its employees. The reality is that mutual banks have always been built upon that foundation.'

## Building trust through communication

Clear communication proved essential throughout the merger. Staff received regular updates about changes to branding, products and operations. Training sessions ensured they could confidently assist customers with any questions about the new unified bank.

For customers and the public, People First developed straightforward information about what the changes





**Left** CEO Steve Laidlaw outside the rebranded Flinders Street branch, Adelaide, 2024.

**Opposite** The new People First Bank uniform, 2024.

meant for them. The focus remained on the practical benefits – better products and services, backed by the same commitment to personal service that had defined both Heritage Bank and People's Choice.

For Sandy McCulloch, banking has always been about relationships. 'If I removed my customers and the Heritage staff I have worked with for over thirty years from my Facebook friends list, I would not have many friends left!' she jokes. 'It is not necessarily just the bank we have enjoyed – it is the people we have worked with. I am still friends with people I employed twenty-five years ago in Toowoomba. The bond through working together has helped make the experience enjoyable.'

Victoria Hicks remembers one customer with particular fondness. 'The customer I will never forget is one we still have: a long-term customer who we have seen through hard times, losing her car in floods, losing her beloved pets, to the happy times like helping her replace her car, buying her first home and now just completing building her second home.'

## Making a difference in banking

The creation of People First Bank established a fresh approach to banking – one that combined the capabilities of a large institution with genuine care for communities. As Australia's biggest customer-owned bank, People First showed that growth and personal service could go hand in hand.

The principles of equality, fairness and shared purpose that guided the merger continue to shape People First's approach to banking. By bringing together two strong customer-owned institutions as equals, People First created a foundation for banking that puts customers first – not just in name, but in every action.





## The evolution of banking style

When Sandy McCulloch joined Heritage in the mid-1990s, her introduction to banking included a visit to Fletcher Jones to be fitted for the standard uniform. The high-quality wool blend skirts came from one of Australia's most respected clothing retailers. A scarf completed the ensemble.

'You too will learn how to tie a scarf 100 ways,' a colleague told her on her first day, words that stayed with her.

The early days saw Darling Downs Building Society in bright green uniforms and Toowoomba Permanent in brown. Ian Lilburn, Mike Humphrey and Russell Bianchi all remember having to wear ties, even in back-office roles and during soaring temperatures. Today, the dress code reflects modern banking culture, with open-neck shirts the norm and even jeans making an occasional appearance in non-customer-facing roles.



**Above** Artist's impression of the new Toowoomba head office due to open in 2027.



## EPILOGUE

### Reflections on a Banking Revolution

#### A family legacy

Sandy McCulloch has seen generations of customers come through the bank's doors. 'I've been helping some customers with their lending for over twenty years now,' she says. 'I have done loans for parents and now I am starting to do loans for their children – though I am not sure I will be around to do loans for their grandchildren!'

As People First Bank marks 150 years of history, it is also laying the foundation for its future in Toowoomba. In late 2024, the bank announced plans to build a new five-storey head office in the heart of the CBD – just steps from the site where Toowoomba Permanent held its first meeting in 1874.

The project – a partnership with award-winning local developers FKG Group – will bring fresh energy to the city centre when it opens in 2027, just as the current head office did back in 1983.

People First Bank has emerged as one of Australia's largest customer-owned banks, with assets exceeding \$25 billion. This scale provides resources to compete with traditional banks while maintaining focus on individual customers.

'There is no reason we cannot be Australia's first customer-owned bank to have a million customers,' says Steve Laidlaw. 'Not for the numbers, but for what we can achieve when we put people first.'


People First's engagement with capital markets shows its growing capabilities. The bank completed the largest senior unsecured debt issue by any customer-owned bank in Australia while maintaining its customer-owned structure.

#### Building on strong community foundations

People First Bank carries forward the community programs that anchored both Heritage Bank and People's Choice in their local areas. In Queensland, the bank continues Heritage's support of the Toowoomba Carnival of Flowers and Royal Show.

'It was so much fun volunteering for our "Little Backyard Farmers" stand at the Toowoomba show,' says Lana Kowalewski. 'Even though it was so hot in the





pavilion, the kids had a great time exploring our “farm”, and the feedback from the parents was great to hear – it reminds me what an important place we have within the community.’

The People First Community Lottery continues the thirty-five-year legacy of the People’s Choice Community Lottery, now reaching more regions across Australia. The People First Bank Foundation has also grown since its inception as a Heritage initiative, expanding its impact into new states.

Steve Laidlaw outlines the scale of People First’s dedication to the community: ‘We have made a commitment of \$50 million over the first five years of the merger in terms of investment in community and social causes,’ he says. ‘Our belief is that our greater scale will allow us to provide additional levels of support. Research suggests that 22 per cent of the market makes purchasing decisions based on the social conscience of the organisation they are dealing with, and we know that proportion is growing.’

## **A focus on purpose**

‘Unlike listed banks, we do not face the conflict of generating massive profits to pay dividends to shareholders,’ says Peter Lock. ‘All profits remain within

the business, providing ongoing value to customers and their communities.’

This difference shows in how decisions are made. Without shareholders demanding increasing profits, People First can focus on what customers need – offering competitive rates, fair fees and services that help people manage their money.

## **Building for tomorrow**

‘Our role is to have an impact on people and play an active role in the community,’ says Michael Cameron. ‘That is what we continue to focus on doing well.’

Rather than expanding its range of services, People First Bank aims to simplify and improve them. The goal is to provide better, easier banking solutions that remain relevant to customer needs. This approach reflects the bank’s commitment to sustainable growth that serves customer interests.

From its regional beginnings 150 years ago to becoming Australia’s leading customer-owned bank, People First has stood by these simple principles: that growth and heritage can go hand in hand, and real success comes from putting people first.



First published 2025 by Bounce Books, an imprint of Hyphen. Stories, well told.

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In the spirit of reconciliation, People First Bank and Hyphen acknowledge the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.



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Printed in Australia by Ligare Pty Ltd

Paper from responsible sources and other controlled material

ISBN: 978-1-7636392-9-4



A catalogue record for this book is available from the National Library of Australia

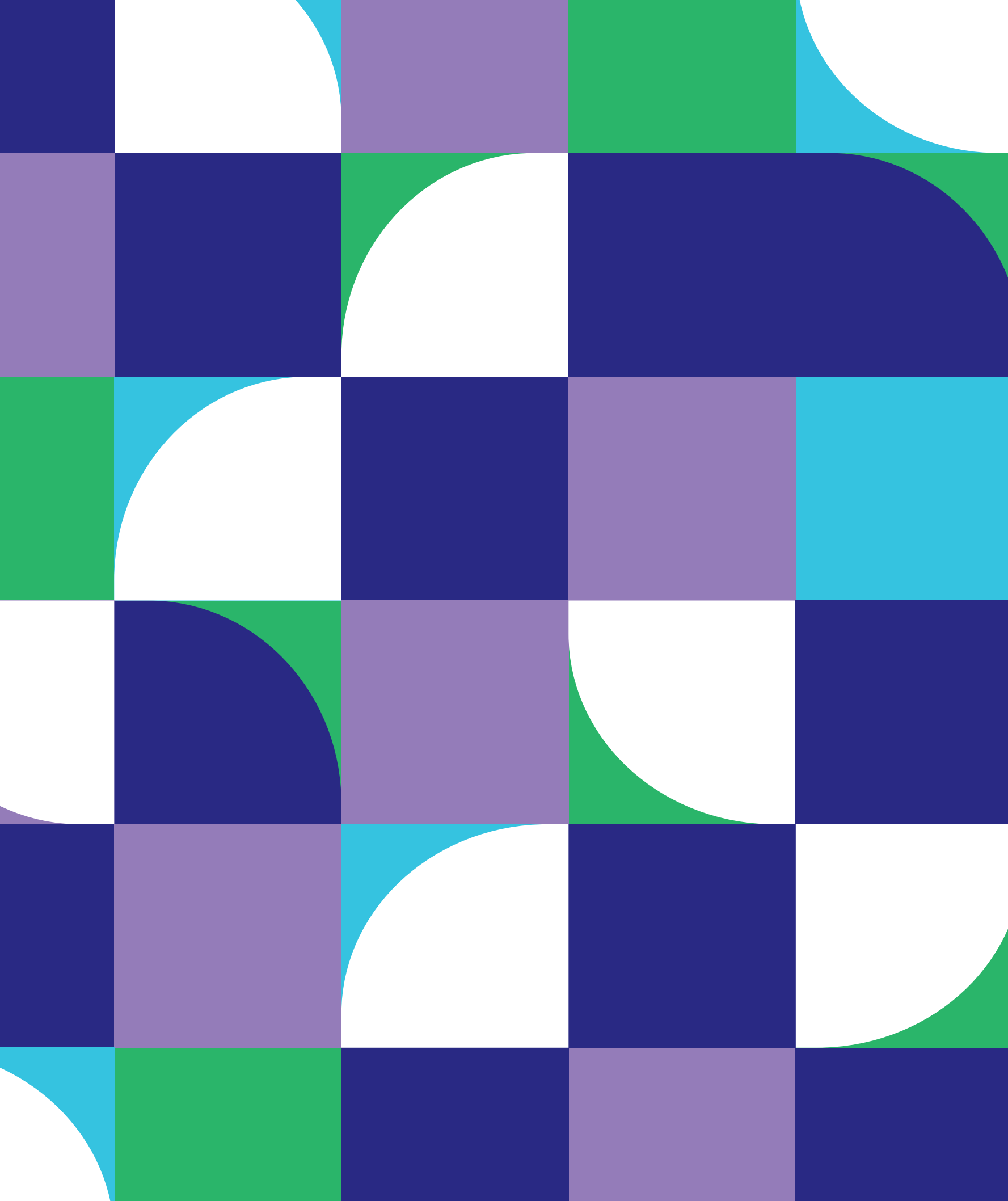
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People First Bank may be new in name, but its legacy runs deep – shaped by the proud histories of Heritage Bank and People’s Choice Credit Union, and by generations of loyal customers, dedicated staff, and the communities who stood by them.

This book traces the journey from local beginnings to a bold, national future. It’s a story of trust, tenacity and transformation. Of people who believed in something better – and built it.

In 150 years, much has changed. But one thing hasn’t: people always come first.