

# **Australian Mutuals History Oral History Program 2023**

## **Interview with Steve James of Teachers Mutual Bank**

### **Interview conducted by Ben Woods on 26 July 2023**

Ben Woods (BW):

This is Ben Woods Archivist, Australian Mutuals History, interviewing Steve James on the 26th of July 2023. Can you tell us about your educational background?

Steve James (SJ):

I grew up around Tempe, St. Peters area when I was a kid. I went to Tempe Primary School. And then for high school, I went to Enmore Boys High School, which was a selective school at that time.

BW 00:36

Okay. And what was your first job?

SJ 00:40

My first job, I was 15 years old, and I worked for an organisation called Kreglinger. They were a Belgian wool buyer. And so it was in the wool industry in Australia in 1965.

BW 00:52

Okay, and did you have any sort of career goals at that stage?

SJ 00:58

At 15? I didn't have anything, but to turn up at work five days a week, 40-hour weeks in those days, and I think I was getting a whole \$15 a week at 15. But I thought I'd have a career in the wool industry. But of course, that sort of dissipated over the years, that wasn't the number one industry, so my next choice was, hopefully, in banking.

BW 01:27

When did you hear about credit unions?

SJ 01:32

Not until I came to the interview here in 1979. I was in my late 20s by then, I'd done my accountancy course at Meadowbank Tech, and, therefore, I was looking for a job as an accountant. And the job came up here, you've got to think that in those days the credit union was very small, it only had 20 staff, we had about 20,000 members and about \$20 million in assets. So, that was New South Wales Teachers Credit Union at that stage.

BW 02:04

So, this was your first banking job? Yes. Okay.

SJ 02:12

Prior to that I worked for Johnson and Johnson. I was their financial accountant. I worked at North Ryde, so it was in the pharmaceutical area prior to that.

BW 02:22

Okay, so the job you applied for in 1979 was an accountant job? What exactly were you doing in that role?

SJ 02:32

Well, it was interesting because when I came here, we only had 20 staff. The job was to do your accounting as quickly as you could in the morning, and serve on the counter in the afternoon, that's when the members came in.

That's the part I really appreciated, serving the members and taking phone calls and helping members with loans or deposits or just inquiries at the counter. In those days, we had a lot of people come in, especially when school finished at three o'clock in the afternoon. So, it was all hands-on deck, including the CEO at the time, Ken Miller, he'd be at the counter as well.

BW 03:12

So, you worked on the accounts of the credit union and then worked as a sort of all around customer service person, on loans etc.?

SJ 03:22

Yeah, as a teller, whatever. Whatever was needed at the time.

BW 03:26

I've heard things about Ken Miller where he had an idea that everyone would get around the table and open the mail in the morning. Were you part of that? Or was it finished by then?

SJ 03:41

No, I wasn't a part of it. Because we got our first computer system in 1980. And we only had one person on the computers. It was me because I had some computer experience with Johnson and Johnson. So my finish time probably was about nine to ten o'clock at night. I lived in Katoomba in the Blue Mountains and drove home and got some sleep. I had to be back first thing in the morning to start the computer, so I didn't do the mail.

BW 04:18

Right. Fair enough. So how was it working with Ken and did Ken hire you himself? Yes. Okay. And he was there for quite a number of years with you?

SJ 04:28

Yeah, he was here. He was great. All the CEOs before me have been great mentors for me, as well as the chairs of the board. They have been great mentors as well.

BW 04:40

How did your role evolve over the years?

SJ 04:51

Yeah, it was interesting because in my late 20s, I really wanted a financial controller's role. Then I thought I'd go into manufacturing because that was my background with Johnson and Johnson. But this role came up. And it was an accountant's role. And I thought the experience of a few years in finance would help me make sure I got a financial controller's role. But once I got here, I really, really enjoyed working for the members and working for the credit union. So, I was prepared to stay. And I moved through the ranks, from an accountant to Financial Controller, I was Chief Operating Officer for a long time, I was CIO at the same time, remember, we were very small. Then up to Deputy CEO, and then eventually, in 2005, I became the CEO.

BW 05:48

Okay, and what have you really enjoyed most about your time?

SJ 05:55

What I've enjoyed most is really the growth of the staff and people around me. And when I say growth, I don't mean in size. I mean, the growth of the people that work with me, some of the people like my Deputy CEO, who retired last year, we've worked together for 39 years, so a long period of time, so that was just great. In the early days, people were young and enthusiastic. The organisation was growing very quickly, when you consider it was a \$20 million credit union, and today we're \$10.8 billion with 234,000 members and 630 staff. We've got five brands in the market these days, banking brands, so it's just been a very enjoyable journey.

BW 06:49

How has the membership changed over the years? And how do the staff deal with them? How many of them are teachers? I know you've got various brands ...

SJ 06:58

Yeah, that's still the biggest part of the bank. With the five brands, there's about 180,000 people in the Teachers brand, you've got to think the Teachers Credit Union started in 1966. So, it's made up of about 50% teachers and about 50% family members in that brand. And then all the other brands like the Uni Bank brand, the Hiver, which is the latest one (the digital bank) and the firefighters and health professionals, they all add up to I suppose the other 50,000 members.

BW 07:43

You started with personal loans and were a savings bank. What's your biggest business today?

SJ 07:57

Today, our biggest business is home loans, but it took us a long time to get into home loans, we just offered personal loans, up to about \$10,000, for many years, we just didn't have the funds, and we didn't have the deposits to be able to lend for home loans. But a good 90% of our lending now is home loans.

BW 08:23

And most of those people with loans, do most of those have their pay paid into accounts as well?

SJ 08:30

Yeah, we were lucky enough in the early part of the days to secure what we call payroll deduction, which became in time, whole of net pay. We were lucky to get that from the Department of Education. We had to get a change of name from Hornsby Teachers Credit Union to New South Wales Teachers Credit Union to take any payroll deduction from any teacher in the public system, at that time, but that certainly helped us to grow. That was a fortnightly payroll deduction that came in that just helped grow the business.

BW 09:13

What about broking? I know from reading the old magazines that mortgage broking was controversial back in the day.

SJ 09:33

You mean using third-party brokers? Yeah, using the brokers was at the time, there was a lot of discussion between the board and management. The management obviously put up the recommendation to use third party brokers. They probably represent 60% of our lending these days. It was a great step. There is not a lot of difference between loans taken through brokers or loans taken through what we call the first channel, across the counters and those sorts of things, and our own mobile lending stuff. You know, as far as teachers and the people that we look after are concerned, they certainly are in stable industries and tend to stay there for long periods of time.

BW 10:21

There are a lot of credit unions, I use the term credit unions because we're covering the whole history, that have been proud that they haven't had any loan defaults. I know that things have gotten a lot bigger.

SJ 10:40

Very, very minimal in that area. I think when you look at all the large mutuals very minimal loan defaults, again, a lot are industry based and that's where they started, and people stayed in those industries for a long time. But when you consider us with teachers, or nurses in the health area, or you know, firemen or whatever, they're just, they're just very stable people.

BW 11:08

Teachers has been a great innovator over the years. Ken Miller and others were involved in evolving the peak bodies and being involved in new ways of thinking and expanding the movement. I know

Teachers opened the famous Drive-Through Teller at Rooty Hill. What are you most proud of with Teachers? And what do you think have been the most innovative aspects?

SJ 11:48

There's been a number of those. I think we've been at the leading edge. And I've been here for most of those leading-edge things like starting one of the first Rediteller systems in Australia. And I think we started with 12 ATMs around Sydney. We were one of the first to bring Visa to Australia, issuing Visa debit cards and credit cards, I think, the second bank in Australia to bring Visa in, going into member chequing early and being able to provide that service, even up to the point of having our first internet banking service. And it was designed by some guy in his garage in Tasmania, and we got in there early in that sort of thing. We created the Redi Agency Network across NSW. We had an agency network where our members could go into any credit union at that time and that became a part of the Rediteller Agency Agreement. We were one of the first mutual banks to introduce tap and go cards. There's been a lot of technical things that we've been involved with.

But we've also had some really good mergers, where we've been able to take some smaller credit unions like TAFE Credit Union, Pulse Credit Union, the Uni credit organisation, and Uni Credit was a \$150 million credit union in Western Australia and had been around a bit longer than us in the early 1960s. Now it's a \$2 billion bank in its own right and so we've been able to grow that and spread that across all the universities across Australia. We've had startups, we started the health professionals bank from scratch. One member who joined us in Newcastle. Betty, I think her name was and she joined. We've been able to grow that to almost a billion-dollar bank in its own right. And the last one, Hiver, which is our purely digital bank, a little bit slower growth, because of COVID, and things like that. But certainly, that's where our technology now comes from, the Hiver bank and gets spread into the organisation.

BW 14:10

You semi answered my next question. What is the point of Hiver? Is it to grow in general? I'll let you explain it.

SJ 14:25

I think we looked around at the time, and there were certainly organisations like 86 400 and there were other neobanks, as they called them at the time, and we thought that was definitely the way to go, go digital, so that you could join in 90 seconds. You know, everything is digital, and that's the way we're going. But to also keep our major brands like Teachers and Health Professionals and Firefighters there but adopt the technology that we're building in Hiver and be able to bring that back. So, members from Teachers can join, surgeons can take advantage of those sort of offerings. So, I suppose over the last few years Hiver has been a sandpit for us to test new products and services and come up with new ideas. And once they're working, we can actually move them across because we've only got about 3000 members in Hiver. So, it's great, you're not testing on 190,000 members, you're testing on 3000. If it works here, it'll probably work in some of the other brands, but Hiver will grow and will develop the technology as everyone's moving digital. And Hiver was just a little bit ahead of the other brands.

BW 15:52

So, you do expect Hiver to be a long-term proposition? You don't expect it to disappear?

SJ 15:58

What we hoped to do with this multi branded approach was that other mutuals could join with us into the future and retain their brand. One reason we have a multifaceted approach, five brands, but we do expect that one day we will have, for instance, one app, one mobile app, probably one internet banking site, that could be a Hiver, or it could be another name going forward. But the whole strategy allows for others in the mutual area to come and join us when they want to. We're not aggressive about that. We sit back, we're the fourth largest mutual in the country. We're close to \$11 billion.

BW 16:46

Do you feel very competitive with other mutuals? How do you see them in general?

SJ 17:00

In the sense of?

BW 17:07

I mean competitive amongst each other. Because there's a lot of mergers ...

SJ 17:13

Yeah, I don't think we have been that competitive against one another in the past. It may be different, you've got a couple of larger mutuals that have come together this year, so that'll be interesting. When the Newcastle Permanent and Heritage and People's Choice etc. come together. They're going to be 20 plus \$billion, that might be a little bit more competitive. But I still think there's room for other mergers to bring the mutual movement to new members around Australia, and I think we're very competitive in our interest rates, both deposits and loans.

BW 18:00

I'll get back to that side of the industry a bit later. Some people have spoken throughout the years about how it's more difficult for mutuals to be innovative now, because of the general environment and with regulatory changes. What do you feel about that and what have been the biggest challenges that you've faced?

SJ 18:30

Yeah, well, we were sort of at the forefront of innovation, and I think even with the hyper bank, in the middle of the COVID period, trying to launch a new bank in the middle of the COVID period was pretty innovative as well. But I think we've yet to see some of the great innovations to come and it'll be around conversational banking in the future, like we know that we must move technically into the cloud and have a core banking platform sitting in the cloud eventually, and probably work hand in hand with some of the big players like Microsoft.

BW 19:14

You don't see that there's a security issue around that with Microsoft being so enormous?

SJ 19:20

No, I think it's more for innovation and that technical edge that we need, and the major banks have got, you know, the funds to be able to spend. I think we have to partner with those sorts of people. There are some benefits, of course, in that security aspect. But that's not the driver. I think the driver is we're going to eventually get to what I call conversational banking, where you get up in the morning, and you ask Google or ask Alex, I really want to buy a new car. Can you find me a loan today? With the invent of AI [Artificial Intelligence] it will go away and come back and get you a loan.

BW 20:04

You're not concerned about the power of Google? That's what I was really was getting at regarding security. Google and Microsoft, are they too big? Do you need a backup outside of the cloud?

SJ 20:22

I think we're looking perhaps into the future, a couple of years before we get there. But I think we need to partner with the big players, like Microsoft and that sort of thing. We have software that is mainly Microsoft, we use Ultradata for our core banking system. So, we're already in the cloud with a lot of things. It's getting the core banking system into the cloud and getting that approved by the regulators and that sort of thing. I think once we get there, there'll be advantages to partnering with those bigger organisations that will provide a lot more benefits for our members.

BW 21:08

I've been thinking about mutualism itself. Why is mutualism important? What are your thoughts on it and what attracts you to it?

SJ 21:30

I think we're losing that a little bit. I think of our forefathers, the people who set up these organisations, it was paramount, it was all about helping the members. Generally, this was teachers, you know we started with a small group of people at Hornsby High School who set up Teachers Mutual way back in 1966. And we had about 50 members. So, it was a little bit of a social club type event, they all did it with volunteers. There was nothing about profit or being paid. Even when I started in 1979, we came in every month on the weekend to put statements in envelopes to send out to members.

None of that was sort of overtime, or anything like that, it was all part of the role and that sort of thing. I think we had a deep understanding that we're here for the members, we're here for firstly our 234,000 members who rely on us to give them really good interest rates, look after the security of their funds, provide great service or if they're having financial difficulties, be able to look after them. I think that's what being a mutual is about, helping teachers. And I would imagine if credit unions disappear, or mutual banks disappear over the next 10 years, in 20 years' time someone will come up with the idea, let's form a cooperative or a mutual, you know, get together. Do we need to pay excessive profits to

shareholders? Let's put it back into the business. I think it'll always be around. It's been around since the 1700s. So, it'll always be there.

BW 23:35

You just said the mutual factor has changed a little bit. What do you think is the cause of that? Is it regulation or size?

SJ 23:48

Yeah, I think it's probably a factor of regulation. We're treated as we should be as ADI's [Authorised Deposit taking Institutions], by APRA and other regulators. There are far more regulations now than there were back in the 70s or 80s or 90s. I think we had a little bit more freedom to really look after the members and really treat the members a lot differently. And today, it's far more regulated. There are certain aspects that the regulator wants to know - your return, how you run your business, your risk management, there's a whole range of different things today, which weren't around probably in the early days, so it was probably a bit easier to service the members.

BW 24:43

Okay, so this might be difficult. It might be a bit of a long question, but you were talking about how you started, that it was really a general job. And you said Teachers Mutual has 600 odd staff today. What has been the evolution of staffing in terms of the jobs that people do? You were an accountant but there weren't too many professionals in the early days ...

SJ 25:26

That's right. And I think what was recognised in the early 70s, before I got here was credit unions, and there was 500 or 600 or something, and a lot of them had been started by industry groups, and so an industry would create the credit union and the staff would be volunteers in that particular credit union. Similar to running social clubs and various things.

But I think in the early 70s, a lot of them weren't making sufficient profits. They were running at losses, and they weren't putting funds away for the bad debts and things. So I think by the mid-1970s they realised they had to start to bring in professional people, professional accountants, into credit unions. So if they were going to survive and I think Teachers Mutual realised that early, they hired Ken Miller as CEO, and he started hiring professionals to run the business. I came with a lot of experience from Johnson and Johnson putting their financials into the back office. We didn't get our first computer system in-house until 1980 and that was part of the Ultradata system that we've got today. I suppose the accounting system in those days wasn't as mature as some of the external organisations that I'd come from, and so we had to develop all that. And I think that's why they brought professionals in at that time.

BW 27:16

You said that you didn't know anything about credit unions until you joined. Do you think anything has changed in that respect. Do people apply for jobs wanting to work for a mutual?

SJ 27:30

Yeah obviously, today, we call ourselves mutual banks. And the employees we get today tend to be, quite a lot of them come from the major banks looking for something different, or we've gotten great CSR [Corporate Social Responsibility] credentials, great ESG [Environmental, Social & Governance] credentials and they're looking for something different that gives back to the member. And we call them members rather than customers. And so, they've been through the banking system, they're professional in what they know. But they want that little bit of difference, which we talked about as mutuality, and giving back to the actual customer, the member. So I think we attract a lot of those people. In the early days, we didn't attract anybody from the major banks, we probably couldn't make the salary levels or anything like that. We probably didn't have that level of, I suppose, professionalism that we have today in the bank.

BW 28:30

So maybe it might be fair to say that this might be counterintuitive, but maybe mutualism is more of an attraction today than in the 1970s, when people were just looking for a job in finance, where today, people are looking for an ethical, mutual alternative. Is that fair?

SJ 28:53

I think you're right. I think that's correct. And I think when I look at some of our recent executives and where they've come from, I see it when I attend orientation for new staff, which I've done for the last 18 years or so and yeah, they're looking for something a little bit different. They're looking for something that actually gives back, that they can feel good about when they go home at night, that they've really helped the customer, the member, and so I think we're attracting the right level of staff to come in with the mutuality. And I think that flows through to our directors as well. They're not just looking for another commercial bank to be a director of. They know it's a mutual. It's about the customer and member first.

BW 29:45

I'm going to ask you about the evolution of technology. How were loans made in the early days and how was payroll deducted computer wise and how did the computer system evolve?

SJ 30:05

Well, it's changed immensely. In the early days we would get loan applications. And those staff could approve easily. They were approved. And so those loan applications were approved, the more difficult ones, we used to sit down with a group of directors, and we used to be called in for a credit committee of directors. And we'd sit down generally outside of the organisation and go through each loan. And a lot of directors knew the individuals personally and whether they had good character or whatever. So that happened for years. And of course, that can't happen anymore. It's all automated these days. We use a system called sympology, which is a new end to end loans process. It's very fair. But it's all done by professional people these days. The directors knew the people, they knew this person's good, and he works well in school. He might be in some difficulty financially, but he's got a permanent job. And they knew a lot about the members. And if they didn't know they would find out about a teacher.

BW 31:34

Do you have anything that comes to mind about a particular story where you helped someone in real strife?

SJ 31:46

One of our original paintings, which is an Aboriginal painting, that we've had for quite a number of years and is around the building. It finished up being a bit of an early statement for us about Aboriginal culture in Australia. The artist is a teacher that got into a lot of difficulties financially in the Northern Territory. We look after the Northern Territory as well. We're across Australia these days. But in those days, we had New South Wales, the ACT and Northern Territory. And out of that assistance, they finished up doing an Aboriginal painting for us that we've used for many years. Today, we have the normal RAPs [Reconciliation Action Plans] and things. But that was an early thing that we've done, we've helped many teachers. Talking about foreclosures on mortgages, I could count them on my hand. That's the last thing we would ever do.

BW 32:50

And you started off doing personal loans. And there was a lot of business in that. But that's gone by the wayside?

SJ 33:02

Actually, it's making a bit of a revival, so we probably in the last couple of years had the strongest lending in personal loans. But once upon a time it was 100% of our lending. Now we're talking about it being about 10% of our lending overall. But it was quite big, we'd lend early. So, for instance, if a teacher had just come out of university and they got their first posting, they'd come here and buy a car because a lot of it was traveling in country areas, a lot of the postings for original teachers were in country areas, and we'd lend to them and they wouldn't have any history of savings or anything. And we'd lend to them just on the fact that they got a posting and got into schools. So, a lot of teachers remember that. Teachers Credit Union was there in the early days. A lot of them come back now, obviously for home loans, especially, or second home loans.

BW 34:02

Were car loans quite big?

SJ 34:06

Yeah, that was huge, and we still have a teachers car buying service that we use to help country members to find cars in the city. So that's still available. Buying cars is a little bit more sophisticated these days. There's a lot of websites and online purchases compared to what there was.

BW 34:34

How do you feel about the change from credit union to mutual bank. A lot of the city-based credit unions especially have become mutual banks. How do you feel about the change and what is the reason for it?

SJ 34:47

I think there was fantastic growth for us in 2012 when we went from Teachers Credit Union to Teachers Mutual Bank. I think a lot of people by the early 2000s had seen the sector shrink, even though it hadn't shrunk in actual size, there weren't as many credit unions around. There were 100 odd credit unions and banking was what we did. A lot of credit unions had banking somewhere in their name. I think to be able to change and call ourselves a mutual bank was a boost up. And we certainly had enormous growth after that. In changing to Teachers Mutual Bank there was a little bit of opposition to it. People thought, if we change to a bank, we change and become like the big four. But we proved that's not the case. But I think banking is what we do, and we kept the name mutual in because that's what we really want to get across. It's still all about mutuality.

BW 36:00

And is it mainly a name recognition thing? That is, when people see that you're a bank, and they know what a bank is but don't know what a credit union is?

SJ 36:09

Yeah, I think in the early 2000s, they were starting to get a little bit confused about what a credit union was and was it linked to the union or what was it. But I think the majority of the bigger ones saw the advantage in moving to become a mutual bank. Probably CUA was one of the last ones to move over and call themselves Great Southern Bank. But people understand what a bank is. And I think there's a little bit of security in the in the word bank as well.

BW 36:53

A big part of being a mutual is the charitable aspect and giving back to the community in all sorts of ways. What has Teachers done over the years and how has it changed? What is the biggest of Teachers' charitable endeavors over the years?

SJ 37:11

We've got an enormous sponsorship program. We're also partnering with certain groups, and especially with the teachers and firefighters in those sorts of areas. And we've got a strong CSR initiative, where we give back quite a fair bit. We try to give back 5% of our profits into that sort of area. We've got probably one of the strongest names in that. We've been the world's most ethical bank for 10 years in a row. And, by the way, only about five banks in the world have achieved that. We're high on sustainability, I could list all our awards. It's not about the awards. It's about doing the right thing with the funds, to be able to help our members and help the environment as well.

BW 38:14

Is there any particular area that Teaches has gone into that you feel is most important because of your link with education?

SJ 38:23

Yeah, I think one of the areas was probably a bit outside of Australia, where we help school children and teachers in Cambodia. We've done a lot of work there over the last 10 years, we've been recognised with Cufa. And I think that the work we've done has been excellent. We did a fair bit of work in Myanmar as well. I think Asia, certainly parts of Asia, certainly need some help. I've spent some time with the Reserve Bank equivalent in Vietnam. There are 2000 credit unions in Vietnam compared to our 50.

BW 39:07

So, are you interested in assisting credit unions over there and in credit union development?

SJ 39:11

Yeah, and what they had was all community-based credit unions, and what they really wanted to set up was some industrial based credit unions, like teachers or a police or an army credit union. I was very interested, I said, when I retire, I'll come and talk.

BW 39:32

Have you had any success yet with setting those up?

SJ

No.

BW

Why might that be? Is it institutional and politics that makes it difficult?

SJ 39:44

Yeah, and everything else. And security, and they've been through some tough periods during COVID in Asia and that sort of thing. I think you need a catalyst to be able to ...

BW 39:57

Like a Reserve Bank equivalent to help set it up?

SJ 40:01

I think the Reserve Bank was behind it, but you need a catalyst within the industry, or somebody experienced to go over there and take it by the reins and help them move forward. I know the Australian Mutuals Foundation does work in Asia as well. And of course, Mark Worthington's a good friend of mine as well. I think some of that could help. I think perhaps some CEOs who've got the

experience of 40 years in mutuals here in Australia could really assist the Vietnamese government. They thought so too, by the way. My Vietnamese is a bit rusty.

BW 40:43

Have you had any involvement with the Australian Institute of Credit Union Management or any of the credit union peak bodies?

SJ 40:59

In the early part yes but I've mainly been involved in groups outside, like when Cuscal wanted to set up a Visa group to bring Visa to Australia, I was part of that group. I've been part of the Ultradata CEOs group for the last 20 years. But prior to that, I was like a family member of FCS when FCS bought GCS in the early days, so I've been on all those sort of committees in the past. But our board, after Ken Miller and his involvement and Steve Birt, who was here at the time as well. Their outside involvement took a lot of time out of the CEOs role in actually being part of the movement. And so the board are more inclined now to grow the business here, if you know what I mean. And whilst I've been on a lot of different committees and all sorts of things it was mainly here. Our first business was to run here and grow our business. And when I took over as CEO, it was a billion dollars, and now it's over 11 billion. So, our work has been growing this business and growing our size.

BW 42:25

I've asked you about Ken Miller but what about Steve Birt? Can you tell us a little bit about your relationship with him?

SJ 42:37

Fantastic relationship with Steve. When I came in as an accountant, Steve was the person who actually drove around New South Wales, bringing in members. He was also heavily involved in setting up the New South Wales Association with Ken Miller and those sorts of people. And probably he was Ken's understudy at that time. And I think if he hadn't died early, he probably would have been CEO here at Teachers Mutual Bank. But we had a great relationship.

BW 43:12

So he would go around schools and sign people up?

SJ 43:15

Yeah, that was his role. Yeah, him and a lady called Paula Gardner. They were the two people that actually started to bring the membership in. And Ken did it in the early part of the credit union days, but they really took it to a different level. And we built a whole team behind them over the years to be able to deliver that service.

BW 43:39

And the member numbers really grew in that period?

SJ 43:43

Oh, absolutely.

BW 43:45

How do you see the future of Teachers and Mutuals in general?

SJ 43:55

Well, I think the future for Teachers Mutual Bank is fantastic. I think if you came back here in a few years' time, we'd be \$20 billion plus. I think some of that would be what we call inorganic growth, you know, potential mergers, because of the way we set up with our multi branding strategy to allow others to come and join us and things are tough these days. Margins are tough and that sort of thing. But I think a lot of people still believe in mutuality. And I think when I look at the outside, members and customers are looking for something a little bit different in banking than the big four. And so, I think that'll grow and grow under a multi branding stream. I could see Teachers Mutual Bank growing significantly over that period of time. I think some of the big mutuals that've just formed, they'll lead the mutuals through this. As I said, we're in fourth position. At one stage Teachers Credit Union was the biggest credit union in Australia. But we don't aim for that. What we aim for is bringing those people together that fit our bond. We still have a fairly strong bond. And you know, the people that believe in mutuality, we don't want everybody, but we want people who really want to cooperate to see that the profits go back to the members.

BW 45:32

Okay, thanks very much.