

MEDIA RELEASE

New Business Council to give voice to Australia's co-operative and mutual enterprises

MELBOURNE, 29 July 2013; Today will see the rise of a new force on the Australian business landscape with the launch in Melbourne of The Business Council of Co-operatives and Mutuals (BCCM).

Chief executives of leading Australian co-operative and mutual businesses celebrated the launch of the BCCM, which will spearhead a campaign and policy agenda to raise awareness about the role and power of member-owned and mutual businesses in a strong diverse economy and healthy fair community.

According to inaugural Chairman, Dr Andrew Crane, CEO of Western Australian grain handler and Australia's biggest co-operative, CBH Group, the formation of the Council represents an important milestone in the national economic conversation in this country.

"Our businesses have shown remarkable resilience in the aftermath of the global financial crisis and we've been able to sustain strong outcomes for our members and the local economies in which we operate – together through this Council we have a enormous contribution to make to national conversations about a sustainable economy," Dr Crane said.

Sitting on the board of the BCCM are some household names from across the economy that represent millions of Australians such as motorist association NRMA, health fund HCF and co-operative retailer The Co-op.

"What differentiates us is our ownership model – because we are owned by our members or mutually owned, we operate to generate value for them rather than to pay dividends to investors. This allows us to take a more prudent and long-term view of our businesses.

"We know that the health and stability of the economy into the future will be strengthened through corporate diversity with a thriving co-operative and mutual sector. I believe the government, business community, not for profit sector and broader community, are slowly beginning to recognise this", said Dr Crane.

"The GFC has shown that where there is greater corporate diversity, economies are more stable. It is time to champion a return to a higher level of corporate diversity, including the number of co-operatives and mutuals operating in the economy," said Dr Crane.

Arising out of the UN declared International Year of Co-operatives in 2012, BCCM is a coalition of businesses with member-owned, co-operative and mutual structures from a diverse range of sectors including agriculture, banking, automotive, retail, healthcare, renewable energy and insurance. The sector represents a membership base of 13 million. Eight in every ten Australians is a member of a co-operative or mutually owned business.

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MEDIA CONTACT

Contact Melina Morrison, CEO Business Council of Co-operatives and Mutuals, for interviews with the Chairman of the BCCM, Dr Andrew Crane, and copy of BCCM launch address.

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Editorial Notes (Sector at a glance):

79%, the proportion of Australians who are members of a co-op or mutual

43%, a comparison by proportion of the adult Australian population who own shares on the ASX

30%, the proportion of Australians who can name a co-op or knew they were a member of one

4.5 million, the number of Australians who are members of credit unions, customer-owned banks and building societies

7 million, the combined membership of automobile clubs

\$244 billion, the combined net assets of the industry super funds

\$83 billion, the combined total assets of financial mutuals

\$17.8 billion, the combined annual revenue of the Top 100 co-ops and mutuals (2012)

\$7 billion, the combined revenue for the ten largest agricultural co-ops

\$1.6 billion, the combined revenue for the ten largest purchasing co-ops

1600, the number of co-operatives and mutuals in all sectors

CBH Group (2.87bn) and Murray Goulburn (2.287bn), the two largest co-operatives in Australia by annual revenue

1859, year of the first registered consumer co-op in Australia

BCCM Brochure: http://www.bccm.coop/downloads/BCCM_Brochure_full%20view.pdf

Sector at a glance: <http://www.bccm.coop/downloads/sector-at-a-glance.pdf>

“Who knew Australians were so cooperative: the size and scope of mutually owned co-ops in Australia” The Australia Institute:

<https://www.tai.org.au/index.php?q=node%2F19&pubid=1052&act=display>