



BUSINESS COUNCIL  
OF CO-OPERATIVES AND MUTUALS

## PRESS RELEASE

### Regulatory bodies to face Senate committee public hearing

*Friday 26 February, Sydney:* At a hearing today at Parliament House, the Senate Economics References Committee will question representatives of the Australian Securities and Investments Commission (ASIC), the Australian Tax Office (ATO) and the Australian Competition & Consumer Commission (ACCC) about whether their oversight and regulation of co-operatives and mutuals is appropriate and fair.

At two previous public hearings held late last year, the Senate Economics References Committee inquiry into the operation of co-operative and mutual firms, heard evidence of duplicative practices, red tape and inconsistencies in the way that co-operative and mutual firms are regulated.

“This inquiry has shone a light on the economic importance of the country’s co-operative and mutual businesses and how they can bring competition and fairness to the Australian economy”, said Business Council of Co-operatives and Mutuals CEO, Melina Morrison.

“But there are many aspects of the legislative and regulatory frameworks that govern co-ops that are antiquated and inappropriate. The inquiry is a chance to look at the urgent reforms needed to free up the operating environment for co-operatives so that they can compete on a level playing field with other businesses.”

“Co-operatives and mutuals are good for the economy. They bring much needed competition to markets, provide transparent and accountable pricing and return all profits to the local economy in which they operate.”

“It should not be more difficult to set up and run a co-operative than any other form of business. Mutuals especially are not well served by the Corporations Act. They cannot raise capital to fund innovation and growth with the same flexibility as other forms of business. In the end this institutional bias means less diversity of business models in the economy. Failing to raise capital to fund growth can open the door for a mutual to be demutualised which leads to a loss of the member benefits and community ownership model unique to mutuals”, added Ms Morrison.

The inquiry received 59 submissions from the sector and is due to report on 17 March 2016. The public hearing takes place in Committee Room 2S1 from 9am.

#### Notes for editors

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2. You can also receive the BCCM's news and press releases by following us on Twitter @BCCM\_AU or signing up to our newsletters at [www.bccm.coop](http://www.bccm.coop)
3. The Business Council of Co-operatives and Mutuals (BCCM) is the national peak body representing the co-operative and mutual models of enterprise in Australia. Formed in 2013, the BCCM is led by the chief executives of Australia's leading co-operative and mutual businesses and is the only organisation uniting the entire, diverse range of member owned business. There are 1700 co-operatives and the Top 100 had combined turnover of \$27.8 billion in 2014. Eight in 10 Australians is a member of at least one co-operative or mutually owned business.