



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

PRESS RELEASE

Senate recommends level playing field for co-ops and mutuals

17 March 2016

Today's Senate inquiry report into co-operatives, mutuals and member-owned firms has received strong industry endorsement as a roadmap to begin to level the playing field for the sector.

"The Senate has handed down a complete reform agenda to address the barriers to innovation, growth and free competition for Australia's member-owned business sector," says Melina Morrison, CEO of the Business Council for Co-operatives and Mutuals (BCCM).

"The Senate report is an important first step for recognising the way that co-operatives and mutuals increase competition and diversity in markets and contribute to a stable and resilient economy.

"The report's recommendations will help take the shackles off the sector and allow it to step up and fulfill its potential in both the economy and Australian communities.

"Co-operatives and mutuals have grown through the recent economic downturn, with one hand tied behind their back. The recommendation to examine proposals to amend the Corporations Act to allow greater flexibility in the way that they can raise capital is particularly significant.

"Giving mutuals a way to raise equity without demutualising is an opportunity to achieve parity for the sector with other types of businesses and potentially unlock billions of dollars of investment."

On regulatory and legislative issues, the Senate report recommends the harmonisation of disparate state regulations governing co-operatives across the country. The BCCM has been advocating for this result since its inception, and welcomes the encouragement of the Federal government in this regard.

Andrew Crane, Chairman of BCCM and CEO of CBH Group, says:

"The Senate report has recognised the contribution of co-operatives and mutuals to the economy as well as the value they provide to their members, who are also their owners. Co-operatives are good for both people and the economy and this report provides the necessary reforms to enable the sector to grow and compete in increasingly globalised markets."

"The bipartisan support for the report is welcomed by the co-op and mutuals sector, and the BCCM will engage with all political parties for the implementation of the recommendations in full."

"The wide ranging inquiry examined various issues facing the sector including regulatory and capital raising barriers, education awareness and the problems co-operatives and mutuals have when accessing government programmes for business growth", added Dr Crane.

The evidence examined as part of the inquiry showed that co-operatives are a robust, commercially efficient model of business that deliver diversity and strong economic return to the Australian economy. The federal government must act to implement these reforms because the sector needs action now in order to continue delivering economic returns to members, the economy and society," concluded Ms Morrison.

Melina Morrison, CEO of the Business Council of Co-operatives and Mutuals (BCCM) and Andrew Crane Chairman of the BCCM and CEO of CBH are available for interview.

The Report of the Senate Inquiry is available here.



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

For media requests:

Leonie Phillips, Thought Broker

leonie.phillips@thoughtbroker.com.au Ph: 0403 063 852

The Business Council of Co-operatives and Mutuals (BCCM) is the national peak body representing the co-operative and mutual models of enterprise. Formed in 2013, the BCCM is led by the chief executives of Australia's co-operative and mutual businesses. The BCCM works to promote the role of member-owned enterprises in the national economy, which represents approximately 7% of Australia's GDP. With an estimated 1700 co-operative and mutual businesses operating nationally representing a total of 14.8 million memberships, the BCCM highlights the contribution co-operatives and mutuals make to the economy and social development in Australia.

www.bccm.coop