



PRESS RELEASE

Co-operative sector welcomes budget spotlight on small business

13 May, Sydney: The Business Council of Co-operatives and Mutuals (BCCM) have welcomed proposals in the 2015 Budget to strengthen and grow the small business sector in Australia.

Welcoming the small business budget package including the 1.5 per cent tax break and the accelerated depreciation provisions, BCCM CEO, Melina Morrison said, "The small business package is a good one. It supports small businesses, which are the engines of the economy, to grow, to innovate and to employ more people.

"There are also proposals we support to assist small businesses to start up using crowd sourcing to raise capital, and employee share schemes to attract and retain talent and human capital.

"What we, the co-operative sector, want to know, is how the government plans to empower small businesses to improve their business efficiency and lower their operating costs over the longer term?

"Forming purchasing co-operatives is a tried and tested method for small and medium enterprises to group together for aggregate buying power. Household names like Carpet One, Best Western and Plumbers' Supplies are examples.

"Co-operatives operate as small business incubators. They support these enterprises daily by procuring services from local small businesses and stocking local products on their shelves. A co-operative is also the business model used by small businesses to combine back office functions and to do bulk purchasing, warehousing, marketing and workforce planning.

"The Federal Government's inquiry into competition policy, the Harper Review, has recommended raising awareness of co-operatives to "...promote their use and potentially strengthen the bargaining position of small businesses dealing with large businesses,"" said Ms Morrison.

"Government should look at the role that co-operatives already play in supporting many successful Australian small businesses, as well as looking at how government can help businesses to form new co-operatives to grow and compete.

"Including information about the co-operative legal structure on government funded information websites and programs is the obvious place to start. Funding co-operative case studies and working with the co-operative sector to educate and inform Australian small businesses about the benefits of co-operating, are other recommendations that we make to government," concluded Ms Morrison.

End.

Notes for editors

1. For further information, please contact:

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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

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. Eight in ten Australians is a member of a co-operatively owned organisation. The sector represents 7 per cent of GDP.