



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

PRESS RELEASE

Opportunity for a fairer economy if Australians included in reform

27 August, Sydney: Australia had the best chance of achieving a strong, inclusive economy and a fair society if the proponents of a national reform agenda based on lifting productivity and workforce participation, fiscal restraint and tax reform, did not shy away from sharing responsibility and ownership for the agenda with the Australian public themselves, according to a statement released by the Business Council of Co-operatives and Mutuals (BCCM) which represents the 13.5 million member sector.

The reform agenda was agreed to at yesterdays National Reform Summit attended by more than 80 representatives of business, political, community and academic organisations.

“It’s not just governments and business which need the opportunity to invest in the long term prosperity of the nation, Australians need to given that opportunity too,” said BCCM chief executive, Melina Morrison.

“The shared intent is clear from yesterdays talks. What is not clear is how the reform agenda will get a mandate from the Australian public by involving them directly in creating social and economic benefit. The opportunity for collective action and ‘buy in’ for reform will be strengthened if Australians themselves are given the opportunity to influence the reform agenda.”

“Australians have a proven track record of investing their own capital in long-term and stable mutual enterprises to secure a sustainable social and economic infrastructure for themselves. That public contribution currently produces around 7 per cent of our GDP.”

“Australians can play an important role in reform based on the principle of mutual responsibility, which is the driving impetus for the National Reform Summit itself,” said Ms Morrison.

The BCCM, which represents some of the country’s leading mutual businesses in banking, health, aged care, motoring, retail and agriculture said that the objectives of lifting productivity and workforce participation, and designing fiscal policy for a growing economy, would be helped if these mutual principles are part of the reform agenda:

- Public services are designed and run for the public benefit not private profit;
- More Australian workplaces share ownership and therefore the risk and rewards of business with workers, and
- Consumer directed public services are designed by consumers and structured around their needs.

The benefits for productivity growth in businesses owned by employees is well known in Australia, supported by recent changes to the laws around employee share schemes, and in other jurisdictions including the UK where these businesses are currently the fastest growing company form.

“When you share the risks and rewards of business with workers you’re recognising that productivity is driven as much by the innovation and investment of people within enterprises as it is by the tax system or other regulation,” said Ms Morrison.

“When you encourage people to directly contribute to the future of public services through mutual ownership, you get the accountability and transparency needed to ensure high quality consistent services, together with the economic efficiencies to address the burgeoning weaknesses in the public revenue base.”

“With the best intentions, successive governments, business and community groups have developed policies aimed at reforming the economy on behalf of citizens. Citizens can play a role in reforming the system through their own collective action”, Ms Morrison concluded.



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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

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.