



Preparing for emerging industries across Northern Australia

Joint Standing Committee on Northern Australia

30 January 2026

The Business Council of Co-operatives and Mutuals (BCCM) welcomes the opportunity to make a submission to the Joint Standing Committee on Northern Australia's inquiry into preparing for emerging industries across Northern Australia.

The BCCM is the national peak body representing co-operatives and mutuals – member-owned and controlled enterprises – across all industries. The combined turnover of the top 100 co-operatives and mutuals is \$47.7 billion.

Co-operatives and mutuals exist for a different purpose to profit maximisation for external shareholders. Whilst still required to be profitable, co-operatives and mutuals exist only to benefit their members and the communities in which they operate. Therefore, they are incentivised to reinvest surpluses in service reach, business growth, high quality employment and community causes. Local ownership and control of co-operatives keep the profits in Australia. Co-ops are taxed domestically and provide economic ballast when economic shocks or natural disasters occur.

Research by Per Capita has shown that due to their member-based ownership structure, co-operatives are motivated to deliver services at lower profit margins than investor-owned enterprises.¹ This gives them a special role in regional and rural areas, where profits are often minimal (at least initially), and enterprises must be able to take a long-term view of economic development.

The patient investment in co-operatives and mutuals from member share capital provides financial stability especially during the start-up phase. Shared purpose and member buy-in contributes to the much lower business failure rates of co-ops than other business models.

In Northern Australia, co-operatives and mutuals are currently active across many sectors including agriculture (Ordco, NAAKPA), mobility (RACQ), banking (Traditional Credit Union, People First Bank), retail (ALPA, Bynoe Co-op), health (Townsville Aboriginal and Torres Strait Islander Corporation for Health Services), housing (Girudala Community Co-op) and renewable energy (Ngardara Co-op).

We provide two case studies of Aboriginal-owned and controlled co-operatives in Northern Australian agriculture and renewable energy that speak to Terms of Reference a, c and i. and have potential for accelerated growth and replication with policymaker support.

Northern Australia Aboriginal Kakadu Plum Alliance Co-operative (NAAKPA)

The Northern Australia Aboriginal Kakadu Plum Alliance Co-operative (NAAKPA) unites Aboriginal Kakadu Plum producers across northern Australia. Working together, producers are building local capacity to harvest, process and package functional ingredients for commercial markets, while ensuring the economic benefits flow directly to First Nations communities.

Co-operatively owned food processing and packaging infrastructure is essential for expanding export opportunities. With strong bushfoods resources on Country and deep traditional knowledge, First Nations communities are well placed to generate lasting social and economic

¹ [Co-operative Employment Economics: Sustaining Employment and Community Prosperity – Per Capita](#)

benefits—provided they have access to aligned capital investment for food processing infrastructure.

NAAKPA is calling for greater investment in food manufacturing SMEs led by First Nations producers, which will in turn lift their participation in the agricultural sector beyond the current figure of less than 1% reported in 2025 for First Nations producers.

Developing local processing infrastructure will also create pathways for young people who want to move beyond wild harvesting into food science, technology and value-added production. Even a small, well-equipped facility can provide meaningful training and skill development, supporting the next generation of First Nations leaders in the bushfoods sector.



Ngardara Co-operative

Ngardara (meaning sun in the Garrwa and Yanyuwa dialects) Co-operative in Borroloola is Australia's first Indigenous clean energy co-op and is working in partnership with Original Power to design and build their own grid-connected utility scale solar microgrid. The co-operative is owned and democratically controlled by residents of Borroloola.

The microgrid project will cut local energy costs for residents and reduce reliance on the town's ageing and polluting diesel generators, providing a replicable model for community ownership of power generation assets that can be shared with other communities seeking to benefit from and expand the reach of the clean energy revolution.

The NT Government’s Power and Water Corporation currently generates electricity for the township with diesel supplying 88% of the electricity needs. The remaining power comes from a relatively small solar PV system. The existing solar system does have the capacity to export at greater levels but is not able due to the current configuration and operation of the diesel system.

To cut diesel generation, \$16m in new renewable energy generation and storage infrastructure will be constructed, with a focus on utilisation of local workforce. A blended finance model with a combination of grants, low-cost debt and equity investment will preserve majority community ownership of the assets.

The project is underpinned by a 25-year commercial agreement to sell solar energy to the Northern Territory Government retailer, with income generated to be shared between community owners and investment partners.

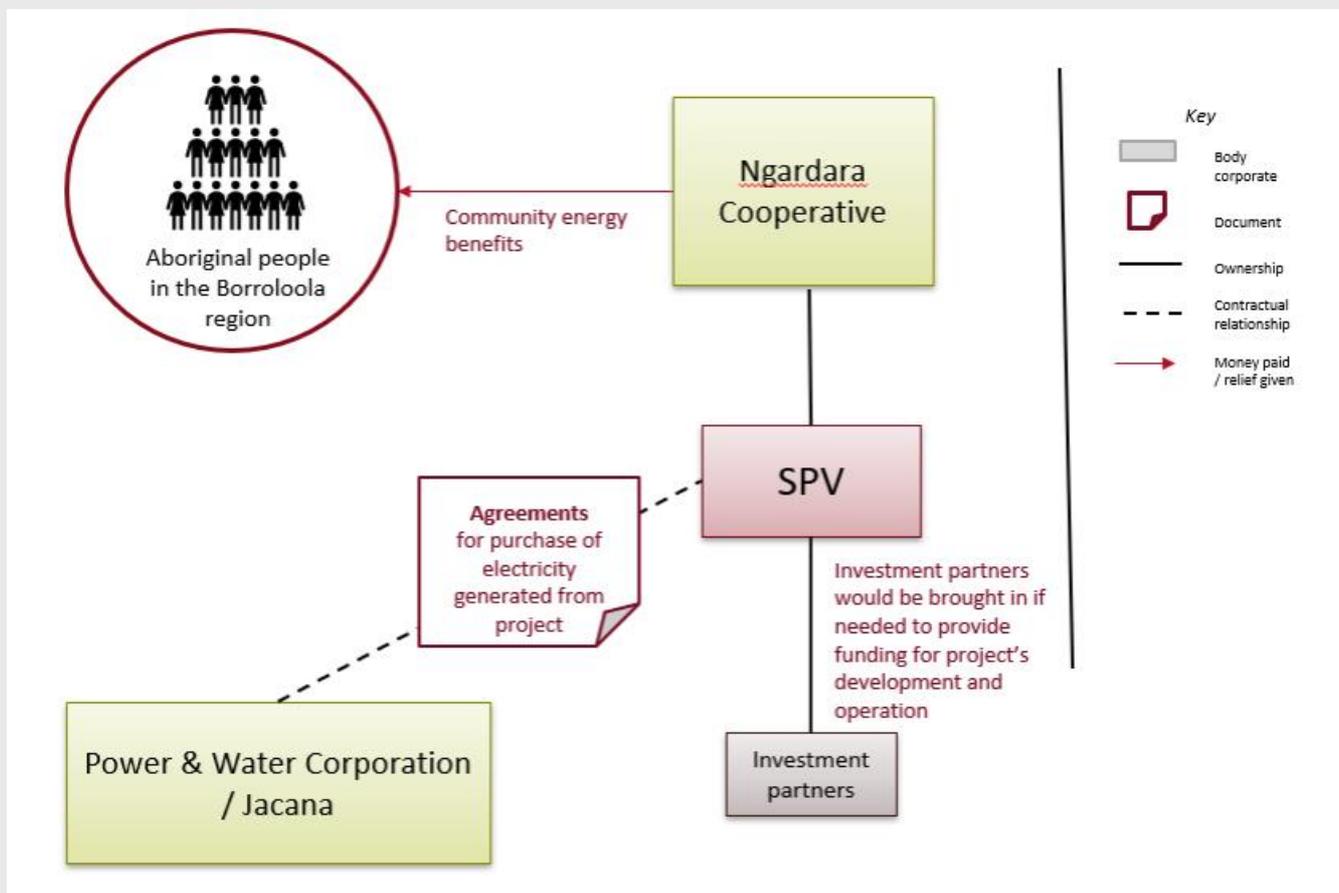


Diagram illustrating how the co-operative enables community ownership, control and economic benefits from new renewable energy capacity in Borroloola while working with retail and investment partners. Credit: Ngardara Co-operative

The following are measures that policymakers can implement to encourage co-operatives in Northern Australia, particularly in Aboriginal-owned and controlled agricultural exports and renewable energy:

1. Streamline co-operative incorporation

Co-operatives are incorporated under a national scheme, Co-operatives National Law. An ongoing challenge in this regulatory scheme is the disparity of resources between the larger

and smaller states and territories to effectively manage their registrations and provide guidance to registered entities. This disparity has the most impact on enterprises in Northern Australia.

Recognising the benefits to Northern Australian development that co-op structures can provide in sectors like agricultural exports and renewable energy, the Commonwealth should work with the states and territories to modernise the scheme, including eliminating disincentives to co-operative formation such as long approval times and lack of regulatory guidance.²

2. Improve access to finance

Co-operatives often face barriers in accessing finance, whether private or public, due to a lack of familiarity with the co-operative structure, co-operative securities and innovative blended financing models.

The ability for co-operatives to access funding from public sources like ARENA and the NRF is important for growth and replication of models like NAAKPA and Ngardara Co-op in Northern Australia.

The Commonwealth should, working with the BCCM, ensure that public investment funds active in Northern Australia have sufficient corporate knowledge of co-operatives and financing arrangements that can work well for this model.

3. Legacy asset protection legislation

The Co-operatives National Law and the Corporations Act should be amended to provide co-operatives and mutuals with the option of permanent 'legacy asset' protection.

International experience shows that co-operatives and mutuals have more confidence to focus on growth strategies when legacy assets are permanently protected from asset raids. Any public investment in co-operatives is also safeguarded and focused on generating ongoing member and community benefit.

The BCCM stands ready to provide further information to the Committee.

² For more detail on this recommendation see [our submission to the Economic Reform Roundtable](#)

About the BCCM

The BCCM is the national industry peak body for co-operatives and mutuals, working with governments, regulators, and policymakers to ensure the Australian economic landscape is fully able to benefit from a competitive co-op and mutual movement.

Through its member co-ops and mutuals, the BCCM represents 14.4 million memberships, including 60,000 small and medium businesses.

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