

Business Council of Co-operatives and Mutuals

17 April 2015



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

The BCCM

- Who are we?
- Our objectives
- How we achieve them



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Who are we?

- The BCCM was formed in 2013 following the United Nations International Year of Co-operatives 2012
- The BCCM is the national peak body representing the co-operative and mutual models of enterprise in Australia
- We represent various sectors in the economy including agriculture, insurance, banking and finance, personal services, shared services, wholesale and purchasing, retail and housing
- Our members include some of Australia's largest companies including the CBH Group, The Co-op, NRMA and HCF along with smaller organisations across the country



Our objectives

- The BCCM is committed to:
- Providing leadership in research, education and advocacy
- Encouraging CMEs across all sectors to share best practice to foster partnerships
- Promoting the role of CMEs in the national economy
- Increasing the number of CMEs in the economy

How we achieve them

Collaboration

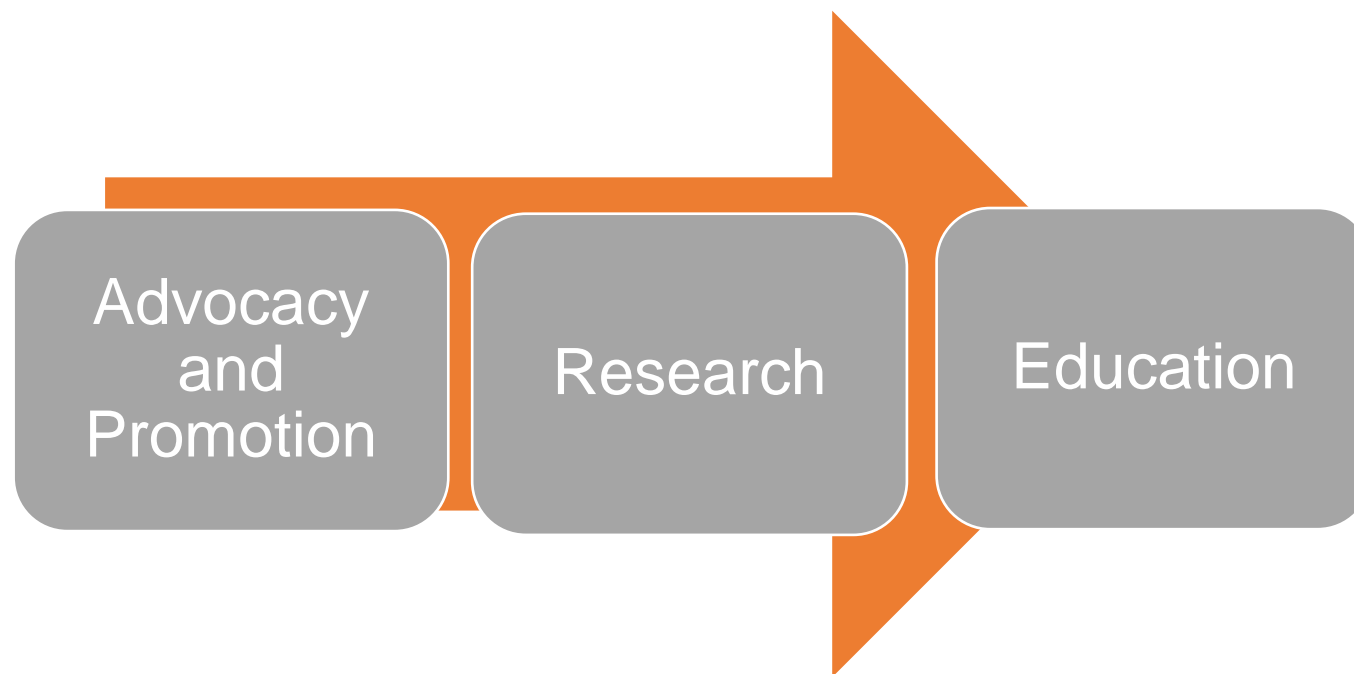
- Grow the sector
- Share best practice
- Cross-sell the brand

Education and research

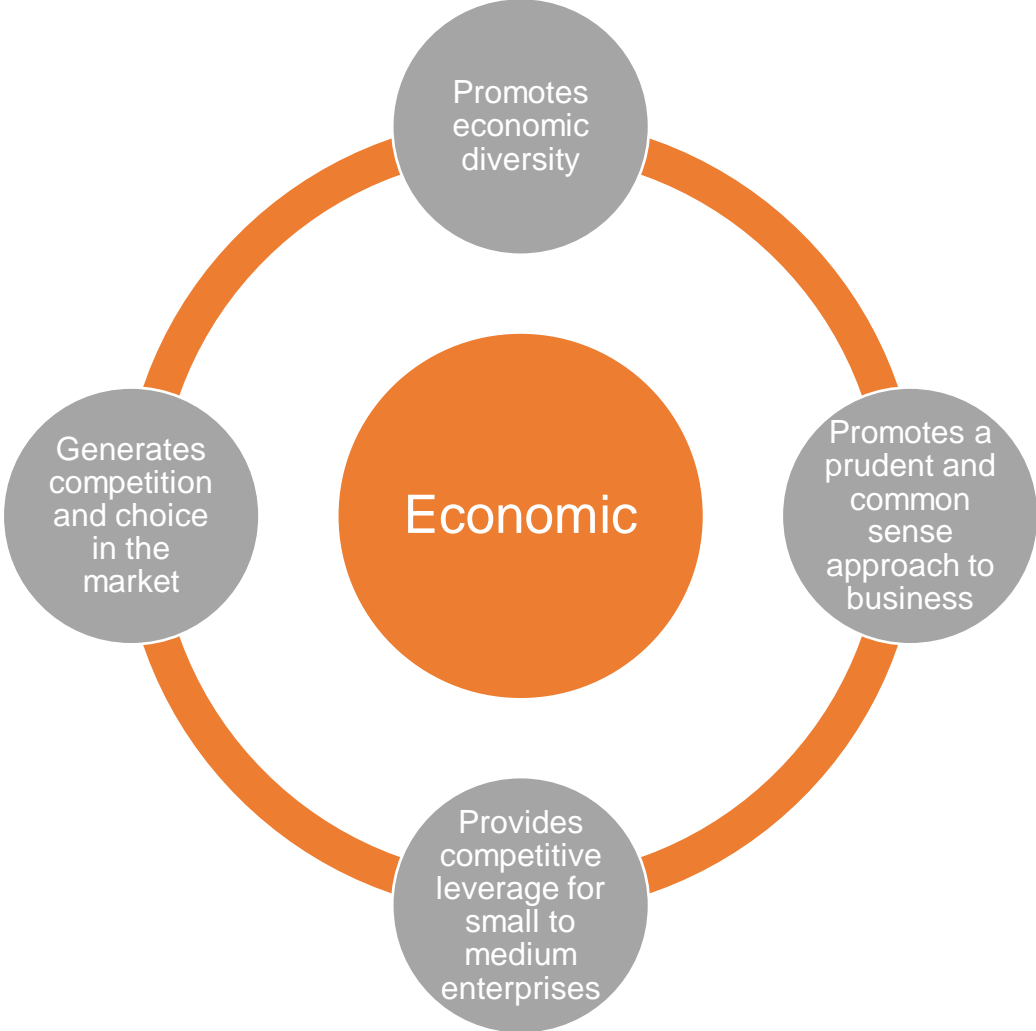
- Promote success of co-op mutual sector
- Research to provide evidence base
- Co-op/mutual toolkits
- Co-op/mutual education and training

Advocacy and promotion

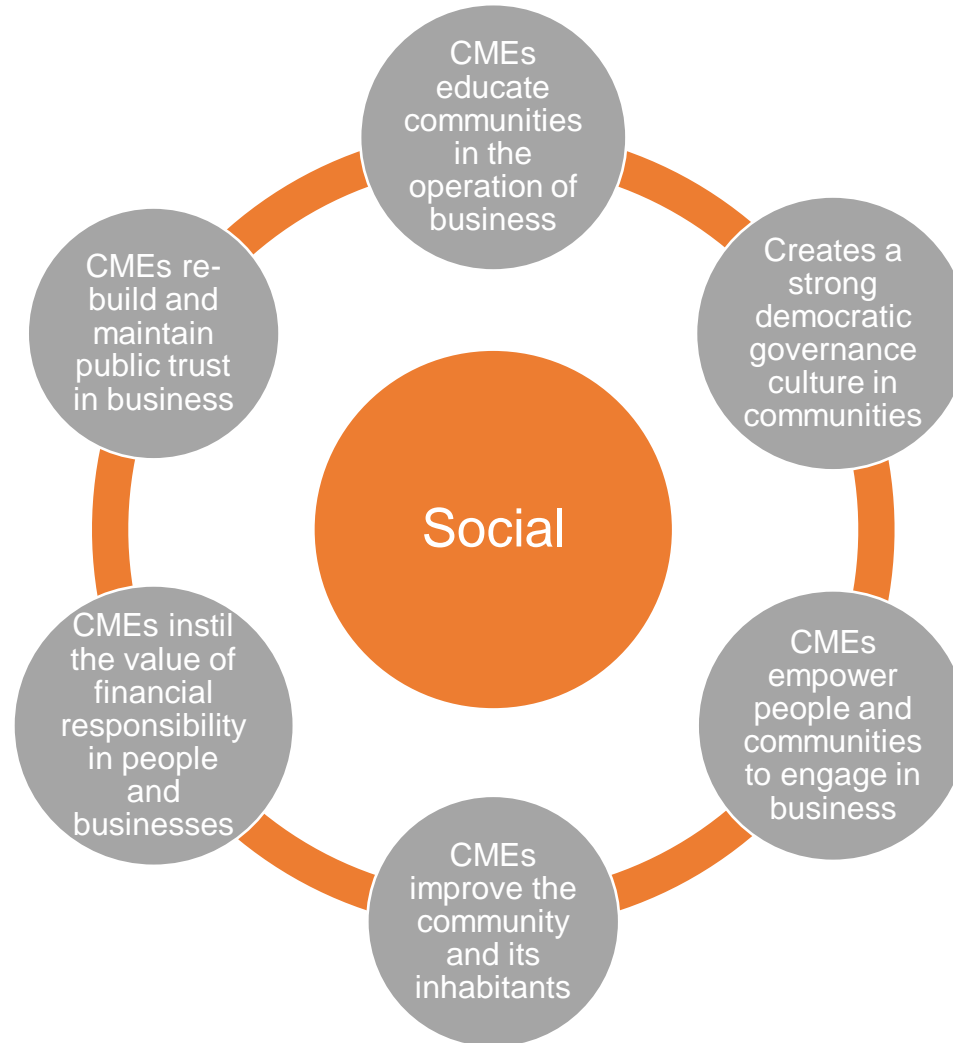
- Legislative improvements
- Policy recognition of mutuals
- Policy on co-ops and mutuals
- Thought leadership and media coverage



Benefits of our sector



Benefits of our sector



*CMEs – Co-operative and mutual enterprises

Co-operatives and mutuals in Australia

The first Australian consumer co-operative was registered in 1859

Estimated over 1700 co-operative, mutual and member-owned businesses operating nationally

More than 13.5 million memberships generating a turnover of over \$25 billion per annum

Co-operatives and mutuals including member-owned superfunds contribute around 7% of our country's earnings

Motoring organisations are owned by more than 7 million members

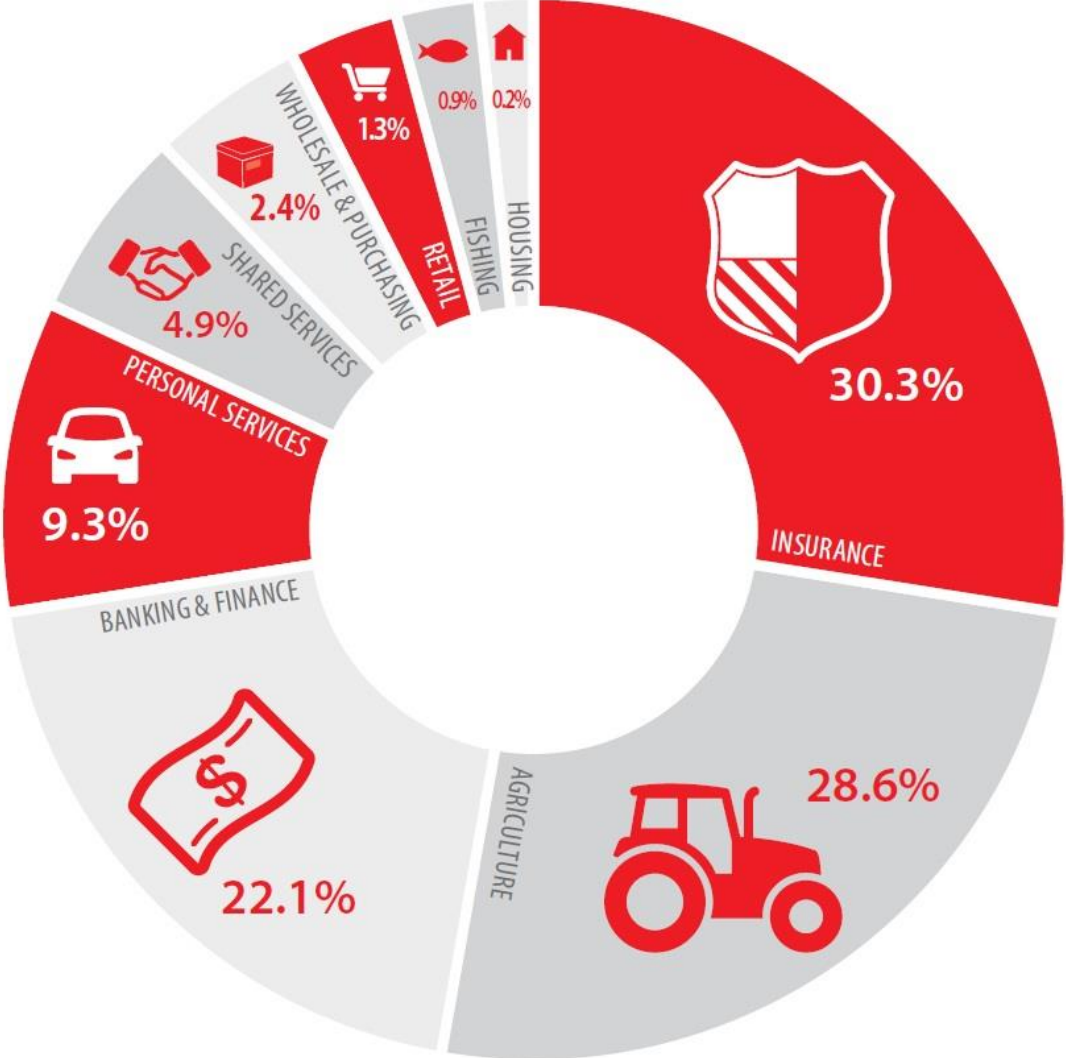
Mutual insurers and friendly societies provide insurance to more than 2.3 million Australians

Customer owned banks, credit unions and building societies have 4.5 million members

Some Australian co-ops and mutuals

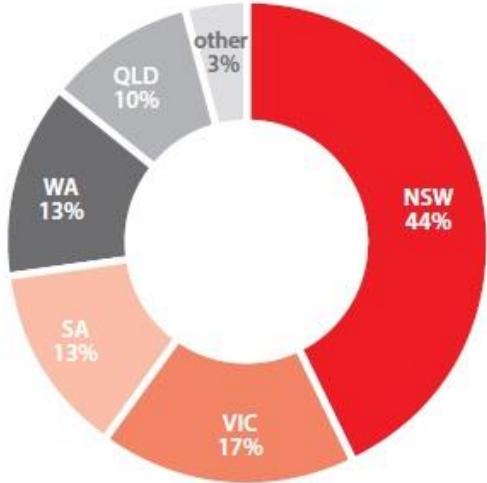


Sector breakdown

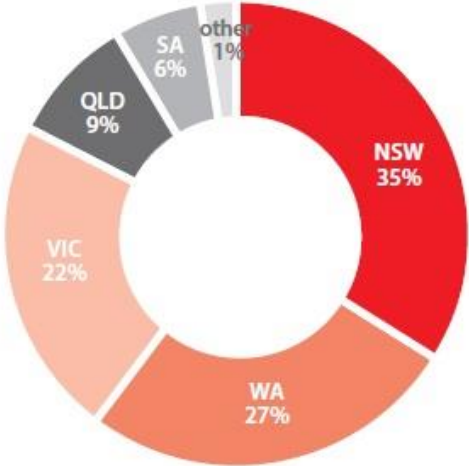


Sector breakdown: By region

DISTRIBUTION OF THE TOP 100 PER STATE AND TERRITORY



BREAKDOWN OF COLLECTIVE TURNOVER FOR THE FY2013 BY STATE AND TERRITORY



BEST PERFORMING STATE

WA had only 13% of the Top 100 co-operative and mutual businesses but accounted for 27% of the combined turnover.



Who we work with globally



The B20 – Australia 2014



- The Business 20 (B20) outreach group is an influential platform bringing together business leaders from G20 economies, and advocates for critical issues for enterprises. In 2014, the B20 was hosted in Australia.
- Dr Andrew Crane, CEO of CBH Group and Chairman of the BCCM Board, became the first co-operative leader to join the B20 leadership group anywhere in the world
- Twelve co-operative and mutual leaders from around the world attended the B20 Summit and made important contributions to debate and discussions on the business agenda for the resulting G20 meetings
- Showcased the benefits of co-operatives and mutuals to a large audience and allowed us voice our opinions at the top table

Future challenges and opportunities

Political:

- Many politicians are not aware of the importance and advantages of a growing co-operative and mutual sector
- The sector has no representation at the cabinet table federally or at state level

Legislative:

- Legislation covering the sector is inconsistent between jurisdictions, restricts free trade across states and territories and suffers from duplicative federal and state regulatory requirements
- Numerous regulators oversee the sector nationally without any consistent policy administration statements
- There is no clear and unambiguous definition of mutual business that encompass co-operatives, mutuals and member owned firms, as part of a diverse enterprise sector

Future challenges and opportunities

Brand Awareness

- Although 80% of Australians (estimated) are a member of a co-operative, only three in ten could name one and only 16% believe they are a member of one

Education

- Co-operative and mutual models do not appear in any business studies or law programmes from junior school through to tertiary level
- Professional education in legal, accounting, finance and management is virtually non-existent making it difficult for the sector to find appropriate professional advice for set up or management at competitive rates
- A uniform national accreditation framework for registered education and training organisations providing services to CMEs is necessary to address the unique features of these businesses.

Thank you for your time!

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