



‘Purse-strings protest’ for co-op forum

Findings from a recent Senate inquiry could see more rebel shoppers among Australian consumers, according to a national business leader.

Melina Morrison, chief executive of the Business Council of Co-operatives and Mutuals, said consumers do not have to wait for the Senate inquiry recommendations to be enacted.

“As consumers we can disrupt the economy today to make sure that more of the benefits of economic activity flow back to the local community,” she said. “You need to shop co-op, you need to bank with a co-op bank, you should join a health mutual, you can put your money into a mutually owned superannuation fund. You can be a rebel capitalist by shopping co-op.”

She brought her vision of a purse-strings protest to Australia’s first forum on agricultural collectives.

The forum, at Kingscliff, NSW on August 29-30 also saw the launch of the \$14.9m Farm Co-operatives and Collaboration Pilot Program (FarmCCPP).

The program is an Australian Government investment providing farmers with knowledge and materials on co-operatives, collective bargaining and other forms of collaboration. Southern Cross University is administering the program nationally.

Speakers came from most Australian mainland states to share their knowledge on co-operative business models, collective marketing, governance, capital raising and collective bargaining. The keynote speaker was Jack Wilkinson Director, Co-operatives and Mutuals Canada.

Deputy Prime Minister and Minister for Agriculture and Water Resources Barnaby Joyce said the national pilot program will allow farmers to work together to improve farmgate returns.

“Agricultural cooperatives allow farmers to own and control more of the food supply chain, which gives them more bargaining power when it comes to negotiating with buyers of their produce,” Minister Joyce said.

“This pilot program has been developed to give farmers access to information and resources in a flexible, responsive and customised way and will focus on supporting farmers at a grassroots level.

“By allowing farmers to reach further down the supply chain, it gives them the ability to get better returns at the farm gate—it’s that simple. It’s better for the farmer, and it’s better for local communities and the people who live and work there.”

Melina shared her insights on how to create level playing fields for co-ops and mutuals. Findings from the recent Senate inquiry are a good start, she said.



"This inquiry will unshackle the sector and give it some rocket fuel to fulfil its potential. And it will unlock billions of dollars of investment.

"Currently, if you're a mutual under the Corporations Act and you want to issue securities with quality equity, you have to demutualise," she said. "However, by amending the Corporations Act, we could fix that problem. Retail investors, the mum-and-dad members of mutuals, as well as institutional investors like superannuation funds, would be able to invest capital into domestically owned cooperative businesses. This would give them working capital so they can grow. This is not special treatment. It is simply putting mutuals on the same footing as other forms of business."

Ms Morrison also endorsed another recommendation from the Senate inquiry: digital transformation.

She said: "This would offer opportunities that we can build and use our platforms that enable us to do capital-raising better. It's already something we do well because co-ops invented peer-to-peer lending. But what we could do with digital transformation is to allow capital-raising through community-share offers, basically offering prospectuses to a large number of investors in community-owned projects. That enablement speeds up the agility that might allow for a business start-up."

The concept was one of many aired at the conference which attracted a capacity crowd to the Mantra on Salt Beach. Organisers allowed preferential bookings for farmers, existing and emerging farm groups as well as farm advisors and other service suppliers.

Beef producer and former NSW Rural Woman of the Year, Lorraine Gordon is FarmCCPP's program director. "There are many and varied examples of successful collaboration in agriculture in Australia and there is potential for many more farmers to benefit from this way of doing business," she said.

"For some farmers, collaborative business arrangements such as collaborative farming, cooperative marketing or bargaining collectively with other farmers can improve their position. Others may wish to consider moving up or down the supply chain by establishing buying or selling cooperatives. Collaboration with businesses beyond the farm gate can also create great value for farmers."

Ben Roche, director of Southern Cross University's engagement strategy said: "We have a strong track record in the two core elements of this program — agriculture and collaboration. We are delighted to be chosen to lead this important national program, which has the potential to transform regional Australia."

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Caption: Lorraine Gordon: "Potential for farmers to benefit."

To interview Ben Roche: 02 6620 3150.

NOTE: Interviews at press breakfast from 7.30-8.30am on August 29 at the Mantra on Salt Beach. Contact: Farm CCPP communications team leader, Sue Webster 0402 267 802