Independent Cooperatives: the most sustainable form of social enterprise in Australia.

March, 2016 (Summary by Alan Greig)

With the release of the Report of the Senate Enquiry into cooperatives and mutuals, interest in “shared ownership” forms of social enterprise in Australia is rapidly increasing.


The Business Spectator Oped on the Enquiry “It’s time to level the playing field for co-ops and mutuals” is excellent, see: http://www.businessspectator.com.au/article/2016/3/16/industries/its-time-level-playing-field-co-ops-and-mutuals

The following news items on the breadth of cooperative development in the social enterprise area in Australia are particularly interesting.

Self-help cooperative social enterprises of course are proving – particularly in terms of long-term survival – to be the best form of social enterprise for delivering social impact and ‘community ownership’ of sound businesses.

These cooperative enterprises also have a new support platform through the “Get Mutual” resource centre recently established by Business Council of Cooperatives and Mutuals (BCCM). You can see the website at: http://www.getmutual.coop/

During the International Year of Cooperatives in 2012, the following publication was released – “Building a Better Australia – 50+ Stories on Cooperation” which has fifty case studies of cooperatives of all types, forms and industries in it, see it: http://bccm.coop/wp/wp-content/uploads/2014/07/BuildingBetterAustralia50stories_2012.pdf

Here are some examples of recent cooperative social enterprise activity.

1. **Community owned GP clinics and related health services.**

   See the following operating projects (i) The National Health Coop (started as West Belconnen Health Coop in 2010) at: http://www.nhc.coop/ and (ii) Westgate Health Coop in Melbourne at: http://www.westgatehealth.coop/

   The National Health Cooperative is the fastest growing and most successful social enterprise in Australia. You may be aware of the story - you can see the Get Mutual profile on it at: http://www.getmutual.coop/case_study/national-health-co-operative/

   Hear also the excellent ABC Radio interview with their CEO at: http://www.abc.net.au/radionational/programs/saturdayextra/public-sector-third-way/6395598

2. **Community energy projects**

   Hepburn Community Windfarm – the famous wind-farm started by one small community in central Victoria, which you can see more on this project at: http://hepburnwind.com.au/
As there are now 80 or so similar “community energy” projects operating or under development in Australia (mostly community owned solar and wind projects), two support agencies have been set up to assist these developments. These are “Embank”, see: http://www.embark.com.au/display/WebsiteContent/Home and “The Community Power Agency”, see: http://cpagency.org.au/

For an excellent press article on the breadth of community activity, involvement and economic participation – not to mention job creation in the community owned renewable energy field in the south eastern states see: http://www.smh.com.au/national/renewable-energy-power-to-the-people-20141103-11fymi.html#ixzz3I5bCxmEr

The “Community Owned Renewable Energy How to Guide” by the Community Power Agency (Foreword by the NSW Minister for the Environment, Rob Stokes) has also just been released. It provides excellent coverage of all the methods for going about developing all the varieties of community owned energy social enterprise projects (solar, wind, hydro etc), as well as all the business models/legal structures – and the choices therein – for them. You can download this guide at: http://cpagency.org.au/wp-content/uploads/2014/06/CPAgency_HowtoGuide2014-web.pdf

3. Employee owned social care

See the following operating example – “The Australian Independent Living Enterprise” trading as Cooperative Home Care at: http://www.carecoop.org.au/

For more on this model, see the Youtube on Guy Turnbull’s (from the employee owned social enterprise, Caring and Sharing Associates in the UK – Social Enterprise of the year, 2006 and Social Entrepreneur of the year, 2011, Margaret Elliott, OBE presentation “High Performance in Social Care in the UK” at the High Performance in Social Care Experts Forum in Canberra, June, 2015 at: https://www.youtube.com/watch?v=6IfCzqXb64M .

Also, see the article “Is employee ownership the future of social care” at: http://www.theguardian.com/social-enterprise-network/2013/may/31/employee-ownership-social-care

4. Food retailing

Community ownership as an alternative to the big supermarkets – 20 operating examples in NSW, including Bathurst Food Cooperative (see: http://www.bathurstwholefood.org/

See also the excellent segment “Cheap Groceries” on Channel Nine’s “A Current Affair” on the Bathurst Food Cooperative at: http://aca.ninemsn.com.au/article/8479516/cheap-groceries

This development is being backed up with a new “open source” technology start-up called “The Open Food Network” now underway (see: http://openfoodnetwork.org/)

5. Disability cooperatives

Check out the excellent article “Entrepreneurs, Co-ops and the Excluded: Ownership is Key” on Nundah Community Enterprise Coop in Queensland which is owned and operated by people with a disability. You can see the article at: http://www.probonoaustralia.com.au/news/2014/09/entrepreneurs-co-ops-and-excluded-ownership-key
6. Remote area enterprises

A good example here is The Desert Fruit Company (The Tamara Cooperative) which operates a date farm in the desert outside of Alice Springs. It is a worker owned cooperative. See the ABC program on them at: http://www.abc.net.au/news/2013-12-09/tamara-date-farm-cooperative-alice-springs/5143554

7. Indigenous cooperatives

There are approx. 40 indigenous cooperatives operating in the social enterprise space. One good example is the Boomalli Aboriginal Artists Cooperative in Sydney, see: http://www.boomalli.com.au/

For an excellent presentation on the continuing study of Indigenous cooperative social enterprises – “Factors Influencing the success of Aboriginal Cooperatives: Case studies of cooperatives located in regional Australia” – which is being undertaken jointly by CSU/UTS, you can check this out at: http://webauth.econ.usyd.edu.au/__data/assets/pdf_file/0004/179383/Australian-Italian_Symposium_Indigenous_cooperatives_Skoko_et_al.pdf
Note the preliminary findings on their commercial success.

8. Recycling cooperatives

There are several recycling cooperatives operating around Australia, such as Reverse Garbage in Sydney, see: http://reversegarbage.org.au/ and in Brisbane, see: http://www.reversegarbageqld.com.au/
There is also the worker owned Resource Work Cooperative operating in Hobart, see: http://www.resource.coop/

9. Arts Cooperatives

Another major area of “success” for cooperative social enterprise/community economies is income generation in local communities from arts and theatre cooperatives. There are now 26 such cooperatives operating in NSW (arts, crafts, pottery (supplies purchasing and marketing) and theatre/drama groups).

Here is a new one - started last year as a social enterprise in Gosford. The Arts Studio Cooperative – see its website at: http://www.artstudioscooperative.org/

10. Community Buyouts

The latest community buyout is that of a butchers store in a small town in western Victoria, as both a job creator and to retain a key service in the town (and a facility for local farmers). See the excellent article on this at: http://www.abc.net.au/local/photos/2015/05/08/4232284.htm

These are just some of the examples of what can be created when “community participation” is partnered with “structure” to equal “self-help” in line with the cooperative movement’s mottos “self-help not charity” and “empowerment not aid”.

The process for financing these projects is of course quite different. This process is called “community investment”. You can see a short explanation of community investment and community shares at: http://probonoaustralia.com.au/news/2015/08/community-shares-funding-social-enterprise/

(This information was provided by Alan Greig, Social Business Australia)