

ACCORD

The Australian Centre for Co-operative Research and Development (ACCORD), a joint venture between University of Technology, Sydney (UTS) and Charles Sturt University (CSU) with support from the New South Wales Government, is a centre dedicated to research and development of co-operatives, mutuals and the broader social economy.

Table of Contents

CHARTER	4
MISSION	4
OBJECTIVES	4
CO-DIRECTORS' REPORT	5
EXECUTIVE OFFICER'S REPORT	7
HIGHLIGHTS	9
FORMATION OF ACCORD	10
ACCORD'S ACTIVITIES	11
<i>Research</i>	11
<i>Education and Training</i>	11
<i>Development</i>	12
GOVERNANCE	13
<i>Board of Management</i>	13
<i>Policies and Strategies</i>	14
<i>The People</i>	15
<i>Advisory Committee</i>	17
<i>International Consultative Group</i>	18
<i>ACCORD Associates Network</i>	18
<i>Strategic Partnerships</i>	19
PERFORMANCE	20
PROJECTS - COMPLETED PROJECTS	20
PROJECTS IN PROGRESS	21
SEMINARS HELD	23
PRESENTATIONS MADE	25
FORWARD PLAN	26
FINANCIAL OVERVIEW	27
<i>Performance During 1999/2000</i>	27
<i>Statement of Income/Expenditure</i>	28

Charter

Mission

ACCORD's mission is to work with co-operatives and mutual organisations in New South Wales as well as throughout Australia, the wider Asia Pacific region and internationally to help them meet new challenges, to rejuvenate declining regional economies and societies through research, training and development.

Objectives

ACCORD's objectives are to:

- Advance the theory and practice of co-operative, mutual and other social economy organisations
- Improve governance and management within the co-operative sector
- Help build declining economic and social capital through the application of co-operative and social economy approaches
- Provide information and analysis of relevant Australian and international developments in co-operation, mutuality and wider social economy
- Publicise the contribution of co-operatives and mutuals to Australia's economy and society



Co-Directors' Report



ACCORD's first year has been exploratory. We sought to put in place collaborative systems to refine our initial visions and set a broad strategic direction.

A number of research activities were begun. Some of these were self-initiated; others came as contracted research. They included:

- Mapping the distribution of co-operatives and mutuals in rural and regional NSW as a first step in a project to explore the contribution they can make to community regeneration;
- Determining if there was a viable role for co-operatives in new or rapidly changing service markets, such as for electricity and petrol;
- Reviewing public policy towards mutuals and co-operatives in Australia and initiating a major review of the legal environment of co-operatives; and
- Reviewing international developments in co-operation and mutuality, including efforts to identify and publicise the advantages of mutual organisations and attempts to modernise co-operative structures by allowing for injections of capital and the clearer allocation of property rights.

As a result, we have determined to focus on two overlapping areas of research: co-operatives and the changing meaning of membership/mutuality. Within these areas we will develop particular foci on public policy and on regional and rural regeneration.

Initial steps were taken to identify and encourage other staff within the two universities to work with ACCORD. Steps were also taken to develop a network of research associates. We recognised that we will have two main sources of income: from contracted research and from research grants. These have some different characteristics. In the case of the former, we respond to research needs identified by others, usually for a limited time but with useful remuneration; and in the case of the latter, we initiate the proposal, but with a limited likelihood of success in obtaining a grant and, if obtained, funding is usually less than requested and less than needed. Striking a balance between these two sources of revenue and between the short-term and the long-term perspectives which each source respectively demands, is a difficult task, though one shared with similar centres.

We spent some time analysing the best way of staffing ACCORD. We concluded that we need a mix of staff resources – two or three additional full-time staff, capable of undertaking both kinds of research, with other academic staff together with outside researchers/associates who will participate in particular projects on a consultancy basis (or as chief researchers in the case of grant-aided research).

Overall, we concluded that ACCORD'S first year confirmed our original belief that there is a pressing need for an organisation like ACCORD if co-operatives and mutuals in Australia are to review and renew themselves and take a leading position in the social and economic landscape of twenty first century Australia.

A handwritten signature in black ink, appearing to read 'Mark Lyons', with a long horizontal flourish extending to the right.

Mark Lyons
Co-Director

A handwritten signature in black ink, appearing to read 'Terry Bishop', with a long horizontal flourish extending to the right.

Terry Bishop
Co-Director

Executive Officer's Report



ACCORD's first year has focused on three essential aspects:

- Creating the infrastructure to effectively operate and manage a research and development centre.
- Establishing a profile and reputation with key stakeholder groups
- Responding to immediate requests to undertake short-term research and development projects.

Creating the Organisation

ACCORD's Co-Directors and staff have invested considerable resources into developing governance structures, administrative systems and creating a corporate identity.

These activities have included the creation of and ongoing support for ACCORD's regular Board of Management and Advisory Board meetings. Codes of conduct, mission and vision statements have been prepared. Procedures for dealing with the engagement of consultants and appropriate ethical behaviour have been adopted. Recruitment for additional research staff has commenced to supplement the existing resources.

A priority has been the establishment of accounting and administrative systems for the centre within UTS and CSU and the design and setting-up of offices at each of the university campuses. The first stage of ACCORD's information base project has been completed and its website launched. Individuals and organisations with expertise in co-operative, mutual and the broader social economy areas were identified and where appropriate formal contact was established.

A corporate logo has been adopted and a marketing strategy for the centre approved.

Establishing a Profile

ACCORD has established a series of formal and informal partnerships with several key stakeholder groups.

During its first year, ACCORD joined the peak international co-operative organisation, the International Co-operative Alliance, (ICA) as an associate member. It is the only national ICA member in Australia. Staff participated in a number ICA sponsored research and co-operative conferences and established strong links with co-operative researchers throughout the world.

In addition, ACCORD collaborated on its first international research project with the Centre for the Study of Co-operatives at the University of Saskatchewan in Canada.

On the domestic front, ACCORD worked with a number of co-operative, government or research organisations, including:

- Co-operative Federation of NSW
- Co-operative Federation of Victoria
- Dairy Farmers Co-operative

- Credit Union Services Corporation of Australia
- Institute for Sustainable Futures
- NSW Department of Fair Trading
- Hunter Regional Organisation of Councils
- Global Linkages
- Substitution Ltd, publishers of National Co-op Update


A significant initiative involved the establishment of ACCORD's Associate Network. This new network will bring together for the first time academic researchers and co-operative practitioners.

Early Success

It is clear from the almost immediate requests ACCORD received to undertake applied research projects that the centre is filling a previously unmet need.

Early project work has included examining the viability of using co-operative models to address the differential between city and country petrol prices in NSW, the feasibility of establishing a local government based energy buying co-operative, strategies Credit unions can pursue to enhance their mutuality and differentiate themselves in the marketplace on the basis of their values, and the role of the state in co-operative development.

ACCORD's focus in 2001 will be to build on this early success and seek to complement its ongoing applied research activities with a major commitment to the provision of co-operative education and training services and to actively pursue research funding to enable it to undertake long-term research projects, which will be necessary to underpin the future development of the co-operative and mutual sector in Australia.

A handwritten signature in black ink, appearing to read 'Garry Cronan', written on a light-colored background.

Garry Cronan
Executive Officer/Senior Research Fellow

Highlights

The inaugural year's activities

- Establishment of ACCORD's administrative and governance arrangements, including, a Board of Management and national and international Advisory Committees
- The establishment and official opening of ACCORD's Charles Sturt University's office.
- A range of project and consultancy work, including:
 - Australian Case Study on co-operative development and government sector relations – a Canadian government sponsored international project examining the USA, Canada and Australia
 - Study, for the NSW Minister for Fair Trading, into the application of co-operative structures to reduce petrol prices in rural and regional NSW
 - A report on membership strategies pursued by co-operatives and mutuals in Australia, the UK and continental Europe for the Australian Credit Union movement
 - A study commissioned by Hunter Valley Councils into the feasibility of establishing a local government energy buying co-operative
- A number of research projects and publications have been commenced:
 - State of the Sector Survey and Analysis: detailed qualitative and quantitative analysis of co-operative performance in NSW
 - Report into the impact of changes in taxation and corporate law on co-operative and mutual operation and legislation
 - Review of current regional development research in Australia identifying opportunities for links to future co-operative and mutual research
 - A study mapping areas of mutuality/co-operation in regional and rural NSW.
- An Occasional Seminar Series commenced, international speakers have included: Prof Michael Cook, USA and Bob Burlton, UK.
- ACCORD has become an associate member of the International Co-operative Alliance.
- Creation of an Associates Network: this group includes some of Australia's leading co-operative researchers and practitioners.
- Establishment of the Centre's Website (1 July 2000 launch date)
- Commencement of ACCORD's National Co-operative Database project
- ACCORD is establishing a series of Strategic Alliances and Partnerships: the first is with the publishers of National Co-op Update, a national newsletter serving the Australian co-operative sector.
- Presentations have been made on a range of co-operative/social economy topics to state, national and international conferences and seminars.
- Completion of stage 1 of ACCORD's Information Base project.

Formation of ACCORD

Co-operatives and the social economy have played an important role in Australia's economic development. An examination of the history shows that governments of the time have used co-operative and mutual structures to achieve particular economic and social objectives. Often, such Government initiatives shaped the economic and social interests of the citizens of NSW.

Co-operatives and mutuals are still of great significance in Australian economic and social life, but that importance appears to be declining. The broader reliance on competition between individuals and organisations to generate economic prosperity has partly been responsible for a crisis of confidence within the organisations classified as the social economy (co-operatives, mutuals and associations). Some large co-operatives and mutuals in Australia are looking to convert to public companies, thus severing the link between membership and control, in the belief that this is the only route to obtain the capital needed to successfully compete in a global economy. Other similar organisations are losing members or winding up their activities.

In other countries, especially in the United Kingdom, United States, Canada and many European countries, it has been recognised that, as governments withdraw from direct provision of services, the social economy offers a means to maintain an element of democratic control over the provision of those services. However, this encouragement of co-operatives and other forms of social enterprise has not been followed in Australia. In turn, few innovative ways of coping with modern challenges have been developed within the co-operative sector and the wider social economy.

The reasons for this lack of development are many, one of which is the absence of an institutional capacity to provide strategic, research-based advice to the sector and Government alike. Unlike the US, Canada, UK and other European countries, there was no specialist centre focussed on researching issues related to co-operation and mutuality. Many stakeholders of the co-operative and mutual sector had voiced their concerns over the lack of adequate research on co-operative concepts.

The NSW Government, through its Department of Fair Trading, recognised the concerns of the sector. In addition, the Department also realised the need to access information and methodologies necessary for prospective co-operative development and analysis of issues that is required to determine various policy positions. Accordingly, in November 1988, the New South Wales Government called for expressions of interest from suitably qualified universities, and/or other policy, research institutions or organisations in co-sponsoring, with Government and industry, the establishment of an Australian Centre for Co-operative Research and Development.

The Faculty of Business at the University of Technology, Sydney (UTS), was one of the universities responding to this call. UTS had already established the main Australian Centre for research and teaching about nonprofit organisations and was keen to expand its interests to the wider social economy. Recognising its need for a regional partner, it developed an alliance with the Faculty of Commerce at the Charles Sturt University. Both Faculties agreed to contribute their own funds to the joint venture should it be successful.

Following an evaluation and selection process, the proposal made by the UTS and CSU was accepted and on 1 July 1999, the Australian Centre for Co-operative Research and Development was formally established. At the same time, the NSW Government announced that the Registry of Co-operatives would be relocated to Bathurst.

ACCORD's office at the Charles Sturt University premises in Bathurst was formally opened by the Hon John Watkins, Minister for Fair Trading on 13 March 2000.

ACCORD's Activities

The activities of the ACCORD are concentrated in three broad areas: research; education and training; and development. Within this overall framework key activities include:

- Undertaking applied and strategic research on co-operatives and other social economy organisations
- Publishing and disseminating the results of the research
- Organising conferences and providing training and extension courses on topics of direct interest to managers of co-operatives, mutuals, the broader social economy and other relevant organisations including government
- Developing appropriate university courses to improve understanding of, and practice in, management of co-operatives and other mutual organisations
- Providing co-operative and social economy development and extension services
- Encouraging research and forging strategic alliances with similar international centres.

Research

Undertaking research into

- Topics that will advance the understanding of the value of co-operative-type organisations in the business and social environment
- Issues that affect the operation of co-operatives and mutual organisations and assisting with preparation of representations to the Governments and other Authorities
- International best practice in management, governance, strategic development and financing of co-operatives and other mutual associations
- Training needs of managers and directors of co-operatives and other mutual organisations
- Most effective responses to local/regional economic development, job creation and community building projects that would promote social and financial inclusion and people-centred sustainable regeneration

Education and Training

In the area of education and training, developing

- Educational and training packages and professional development programs to build competencies of managers, directors and members of co-operatives and mutual organisations
- Postgraduate subjects for use within UTS, CSU and other universities, that can help managers, directors and members of co-operatives and other mutual organisations obtain qualifications via course work and work-based learning
- Seminars and conferences on relevant themes and subjects, bringing together the best practitioners, professionals and academics in the area.

Development

Drawing on knowledge gained through its research program, ACCORD can provide a wide range of organisational development and consultancy services to co-operatives and mutual associations, including

- advisory services on formation of co-operatives and mutual organisations for specific purposes,
- feasibility studies on co-operative structures,
- formulating business plans, preparing strategic plans and
- other related studies useful to the management of co-operatives and mutual organisations.

Governance

Board of Management

A Board of Management, chaired by Ian Langdon (Chairman of Dairy Farmers Group and Director of Pivot Agriculture and Rabo Australia Ltd and its wholly owned subsidiary Primary Industry Bank Australia) governs ACCORD.

The members of the Board of Management undertook six functions of directing. These six functions addressed policy, appointments, strategies, assurance of good management, oversight of performance, and corporate renewal.

The Current Board comprises of

Chairman: **Ian Langdon**

Co-Directors: **Prof Mark Lyons**
Prof Terry Bishop

Other Members: **Peter Booth**, (Professor of Accounting and Associate Dean (Research), Faculty of Business, UTS)

Brian Given, (Asst Director General, NSW Department of Fair Trading)

Denise Jarratt, (Associate Professor of marketing and Sub-Dean (Research), Faculty of Commerce, CSU)

At the first meeting of the Board of Management, the members determined the role of the Board and decided that the outputs of the members of the Board of Management are to be

- Policies and vision for the Centre
- Management and culture of the Board of Management, Advisory Committee, International Consultative Group and the Centre
- Understanding of the operations of the Centre and its capabilities
- Confidence in financial systems and in operational systems adopted by the Centre
- Key monitoring measures for the activities of the Centre
- Strategic alliances with other organisations that provide benefits to the Centre
- Support for staff in the activities undertaken on behalf of the Centre
- Strategies for improving the performance, standing and the stature of the Centre
- Reporting requirements that allow Centre activities to be transparent, viable and accountable
- Confidence in the future of the Centre
- Value (to the stakeholders and public)
- Reputation
- Intellectual assets

During the year, the Board held five meetings to set policies in regard to purpose, partnerships and ethical behaviour. This was done through setting broad parameters of the Centre's activities: purpose, domain of the business, mission, structure of the Centre, role of the board of management and of advisory committees. The Board also oversaw

setting of policies in regard to culture, values, ethics, risk and assured compliance with the policies.

The Board also provided guidance by approving strategic and tactical directions. Advice was provided on long term and medium term strategic directions as well as on strategic plans, annual plans and budgets. The Board examined risk management strategies and contingency plans and approved financial policies. Another area in which the Board advised was on the formation of strategic alliances with organisations with similar interests.

In overseeing the Centre's operating performance and improvement, the Board established a disciplined regime for the Centre to report financial and operational performance. It received, verified and monitored results on the key measures of performance, conformance, and potential.

The Board will continue to ensure learning, renewal evolution and succession of the Centre through the maintenance of collective knowledge of trends in the co-operative sector and the broader social economy and of areas that are relevant to the Centre's operation.

Policies and Strategies

Statement on Ethics

The Statement of Ethics adopted by ACCORD outlined values and principles that will guide all members of the Centre.

Dr Denise Jarratt played a vital role in the development of the Statement of Ethics and the Centre expresses appreciation of her contribution.

Evaluating Possible Projects

The criteria to be used to evaluate possible projects to be undertaken by the Centre were:

- Will generate funding
- Meets need/demand by stakeholders
- Utilises and builds existing knowledge/expertise within Centre
- Contributes to other work in progress or prospect within the Centre
- Adds to body of knowledge in field/discipline.

Marketing strategy for the Centre

The strategy was built around the major drivers influencing the operation of the Centre:

- Client stakeholders,
- 'Other' stakeholders and
- Information technology.

Dr Denise Jarratt was primarily responsible for the development of the marketing strategy and the Centre thanks her for her valuable contribution.

The People

Prof Mark Lyons – Co-Director



Mark is a Professor of Social Economy in the School of Management at the University of Technology, Sydney, and Director of the University's Centre for Australian Community Organisations and Management (CACOM). He has a PhD from the Australian National University and has researched and published in the fields of Australian history, social policy and nonprofit organisations and civil society.

From 1986-1989 he was Executive Director of the Australian Council of Social Service (ACOSS). He was the foundation chair of Australian and New Zealand Third Sector Research. He is Director of the Australian Nonprofit Data Project (ANDP) which, inter alia, provides Australian participation in the Johns Hopkins Comparative Nonprofit Sector Project.

He has explored the relationship between non-profits and both government and business, and has been a member of the Australian Statistics Advisory Council, the Prime Minister's Round Table on Business/Community Partnerships and the Australian Government's Reference Group on Welfare Reform. He is an Executive Member of the Asia Pacific Philanthropy Consortium and Director of the Asia Pacific Philanthropy Information Network.

His book *Third Sector – The Contribution of Nonprofit and Co-operative Enterprise to Australia*, the first comprehensive study of Australia's third sector, will be published by Allen & Unwin in February 2001.

Prof Terry Bishop – Co-Director



Prior to undertaking an academic career, Terry held a number of senior accounting positions in the private and public sectors and in professional accounting practices. He has served on numerous professional and government advisory committees and has an ongoing involvement with a number of these bodies.

Terry's expertise in the area of public sector accounting, financial management, business planning and strategic planning has been applied to his consulting and training engagements with various public sector organisations. Training programs are developed to ensure that financial reform initiatives are examined in the context of organisational cultural change strategies. His consultancy engagements have encompassed management reviews, facilitating the implementation of changes resulting from these reviews and feasibility studies for the establishment of various enterprises by community organisations.

Terry's consulting engagements with the public sector include police, health, local government and community organisations.

Terry's community activities include being the Chairman of the Central West Branch of the Australian Society of CPA, Chair of Orange Health Council, Co-facilitator of the Men's Health Forum and member of the Orange Health Planning Committee.

Garry Cronan - Executive Officer and Senior Research Fellow



Garry has worked with co-operatives or Government Departments responsible for their regulation and development for over 20 years. His responsibilities have included developing the NSW Co-operatives Act and national legislative models; the Co-operatives Key Issues Conference Series; Co-operatives 2000 Development Strategy; co-operative formation, development, promotion and policy programs. He has traveled extensively studying co-operatives, mutuals and the broader social economy in a range of countries. He has contributed and presented papers on co-operative public policy, key factors in successful co-operative operation, demutualisation and co-operative legislation to national and international publications and conferences.

Garry has recently been involved in a number of international projects including reviewing co-operative public policy and legislation for the ILO and working with Canadian and American colleagues on the role of Government in co-operative development and regulation.

Jayo Wickremarachi – Research Fellow



The NSW Department of Fair Trading loaned Jayo to ACCORD for the initial three years. He has engaged in co-operative development work over the past 10 years. His work covered researching and collecting information and analysing data for development of policy options. He has undertaken research work aimed at development of policy in the agriculture, trade and commerce sectors in his previous positions. He jointly established and maintained the NSW Co-operatives website, which was one of the first NSW government sites in 1995.

Jayo holds a Bachelor's Degree in Natural Sciences, specialising in Mathematics, from the University of Ceylon, Sri Lanka and a Post-Graduate Diploma in Policy Studies from University of NSW, Sydney in 1997.

Peter Boland – Research Fellow



Peter joined ACCORD in June 2000. Previously, he was the Manager, Legal of the NSW Registry of Co-operatives, where he carried out a number of legal functions, including registration of newly formed co-operatives, registration of rule amendments, approval of disclosure statements, exemptions and de-registrations of co-operatives under the Act. He was also involved in developing policy relating to fund raising by co-operatives under the Act and in the drafting of the approved rules for trading and non-trading co-operatives in NSW. He was a member of the Working Party, which reviewed the adoption of core consistent provisions in co-operative legislation and advised the Standing Committee of Attorneys General. Prior to that, Peter was an officer to the Ministerial Council for Financial Institutions and participated in the Legislation Sub-committee of the Council.

Peter holds a Bachelor of Laws degree from the University of Technology, Sydney and was admitted as a solicitor in 1992. He also completed a Masters of Laws degree at the

University of New South Wales. He is currently studying for a Master of Business Laws degree with the University of Western Sydney.

Meryl McQueen - Research Assistant (Casual)



Meryl worked as a Research Assistant on research projects which examined the distribution of co-operative and mutual forms of organisations in NSW. She also surveyed and reviewed academic institutions, government entities, independent research bodies and individuals who are currently involved in research into the areas of regional development to discover if any have undertaken research into the role of mutual organisations and related topics such as social capital.

Meryl is currently undertaking doctoral studies in the School of Management, Faculty of Business at the University of Technology, Sydney. She holds a Masters Degree in Public Administration from the University of Illinois and a Bachelor of Science in Education (Honours) from Northwestern University in Chicago. Her background includes social work, volunteer management, third sector project management and HR consultancy. In addition to her thesis work on nonprofit/for-profit relationships, Meryl is affiliated with the Community Management Program at UTS and is engaged in collaborative research in distance education.

Administration

Part-time administrative assistance has been provided to ACCORD during the year by:



Sandra

At UTS:

Terry Rosser (until Apr 2000)
Sandra Chia (From April 2000)

At CSU:

Shirley Crowley.



Shirley

Advisory Committee

An Advisory Committee of senior stakeholders from the co-operatives sector, the wider social economy, government and other researchers assists the Board of Management. An International Advisory Board of leading researchers in co-operatives and the social economy will also advise the Centre.

The members of the Advisory Committee provide advice on the overall direction of the Centre with regard to purpose, work undertaken, performance and partnerships established with other bodies likely to contribute to the development of the Centre. Such advice relates to the policies adopted by the Centre on the vision of the Centre, strategic intent, domain of activities and ethical practices.

The current committee consists of

Chairman: **Ian Langdon**

- **Narelle Kennedy**, Chief Executive, Australian Business Foundation Ltd and a member of the Co-ops Council
- **Don Kinnersley**, Consultant, Co-operatives Federation of NSW
- **Graham Loughlin**, General Manager, Credit Union Services Corporation
- **Race Mathews**, Senior Research Fellow, International Centre for Management in Government
- **Gary Moore**, Director, Council of Social Service of New South Wales
- **Naomi Steer**, Public & Community Affairs Officer, NSW Trades and Labour Council
- **Uri Windt**, Chairperson, Marrickville Community Training Centre Inc.

International Consultative Group

The members of the International Consultative Group provide advice on the overall direction of the Centre from an international perspective. Such advice relates to the policies adopted by the Centre on the vision of the Centre, strategic intent, domain of activities and ethical practices.

The group is drawn from researchers and practitioners throughout the world.

ACCORD Associates Network

During the year, three researchers were invited to become ACCORD Associates. They were:

- **Dr Gary Lewis**, co-operative historian
- **Dr Bill Pritchard**; an academic geographer from Sydney University.
- **Susan Hocking**; a consultant economist with experience in academic research.

Towards the end of the year-1999 – 2000, a decision was made to extend and strengthen the Associates Network. It is to be divided into two parts; a research associates group, of which the above three associates were the first members, and a separate professional or co-operative practitioners network.

The expanded role for the network included the holding of regular forums of associates. These would be designed to facilitate free exchange of ideas; formulate specific work projects and areas for ACCORD; develop knowledge of available expertise; and determine how such knowledge and skills can be nurtured to promote co-operative concepts. The following co-operative practitioners have been invited to join the Professional Associates Network:

- **Bob Corben** is a Registered Company Auditor and Co-operatives Administrator.
- **Peter Gates** is the National Program Manager with the Asia Pacific Co-operative Training Centre.
- **Chris Greenwood** is editor and founder of National Co-op Update.
- **Susanne Haydon** is the founding Director of Quality Documentation.
- **Jim Howard** is an accountant and a consultant to the Co-operative Federation of Queensland.
- **Don Kinnersley** is the consultant to the Co-operative Federation of NSW Ltd.

- **Uri Windt** is the Chairperson of Marrickville Community Training Centre Inc.

Strategic Partnerships

During the year, strategic partnerships were formed both at formal and informal levels with the following organisations:

International Co-operative Alliance

ACCORD has obtained membership of the International Co-operative Alliance (ICA).

ICA is the apex body of the international co-operative movement. Established in 1895, the ICA works closely with the United Nations and bodies such as ILO, WTO and FAO. ICA facilitates, undertakes and contracts co-operative development work in all areas of the world through five regional offices. The Regional Office for the Asia and the Pacific (ROAP) has commissioned many development projects in the region and it is possible that ACCORD will be engaged by ROAP to undertake research and development work.

ROAP regularly organises international meetings between Co-operative Ministers, policy makers, co-operative representatives and other stakeholders from different countries. Key issues related to the development of co-operatives, co-operative legislation and education are discussed and resolutions made at these meetings, with some of the recommendations being adopted by Governments. ROAP recently established an international co-operative trade network for the region. ROAP has also initiated a Researchers Forum in the region and ACCORD participated in the 1st regional conference of Asia Pacific Co-operative researchers.

National Co-op Update

The Centre has arranged to publicise its activities through the 'National Co-op Update'.

The NCU is a bi-monthly publication that provides news and information on co-operatives in Australia and New Zealand as well as a commentary of current events affecting co-operatives. The aim of the NCU is to keep co-operatives and all relevant stakeholders of the sector in touch with the diverse industries in which co-operatives operate, issues affecting the sector and other developments which are shaping the behaviour of co-operatives and mutual organisations in Australia and internationally.

ACCORD has reserved two pages in the publication. The two pages on ACCORD in the NCU will regularly deliver news items and progress reports on work undertaken by the Centre to the stakeholders of the co-operatives sector and the wider social economy. It will also provide the opportunity to showcase ACCORD work and skills available to the Centre among potential patrons of its research and development projects.

Global Linkages

Global Linkages Pty Ltd is a Western Australian company engaged in organising seminars, conferences and training programs for the agribusiness sector. It regularly invites overseas experts to Australia to address seminars and conferences. In March 2000, Professor Mike Cook and Michael Werner visited Australia under this program.

ACCORD has entered into an informal agreement to support such experts on co-operatives by organising seminars featuring them in Sydney.

Performance

Projects - Completed Projects

Title: Co-operative Development – the Australian Case

Description: Comparative study on the role of the State in Co-operative development in 3 countries: Canada, US and Australia

ACCORD was requested to participate in a Case Study and Analysis on Co-operative Development and the State undertaken by Centre for the Study of Co-operatives at University of Saskatchewan, Canada for the Canadian Co-operatives Secretariat.

The Australian case study described and analysed the last twenty years of co-operative development and government - sector relations in Australia. The case study provided dimensions of the sector and a chronological chart of significant events affecting the co-operatives sector in Australia. Historical trends in the role of the state in co-operative development, Australian co-operative public policy, current government structure and functions, co-operative legislation were examined in detail in the case study. The two decades of co-operative development initiatives were described and analysed in the broader context of state-sector mechanisms and relationships and lessons were drawn that could be modified for implementation in Canada. The study outlined possible alternative approaches from a broader social economy perspective and possible directions and implications of current public policy.

Project Team: Garry Cronan, Jayo Wickremarachchi

Title: Study on Mutuality

Description: Examine the experience of co-operatives and mutual organisations in using mutuality as a basis for developing member relationships

ACCORD was requested to prepare a report on membership strategies pursued by co-operatives and mutuals in Australia, the UK and continental Europe for the Australian Credit Union movement

Project Team: Mark Lyons, Garry Cronan, Gary Lewis, Don Kinnersley, Jayo Wickremarachchi

Title: Formation of an Energy co-operative

Description: Examination of the feasibility of the proposed energy co-operative and preparation of different options for activities of the proposed co-operative

ACCORD was approached by representatives of a Regional Organisation of Councils to examine the feasibility of establishing a co-operative type structure to take advantage of the perceived benefits of the deregulation of the electricity market. Research undertaken by ACCORD into the nature and operations of the National Electricity Market (NEM) called into question the viability of this proposed role. It was agreed that an aggregation model would be the basis for the role of the co-operative.

It was concluded that the establishment of a co-operative offering this service to members and clients had the potential to be financially viable.

Project Team: Terry Bishop, Susan Hocking, Geoff Milne, Bob Corben, Garry Cronan, Jayo Wickremarachchi

Title: Formation of a Second-tier Co-operative

Description: Identify ways of funding the formation of a co-operative for the beef industry and appraise the suitability of a "new generation co-operative" funding model

ACCORD provided preliminary advice on business strategies and assisted the group in submitting funding applications to Government bodies.

Project Team: Garry Cronan, Jayo Wickremarachchi

Title: Study on the use of Co-operatives for Petrol Price Reduction in Rural Areas

Description: To study the use of co-operatives to retail petrol in rural areas that would lead to lower prices

The NSW Minister for Fair Trading commissioned research on ways to address the problem of disparities between petrol prices in city areas and rural areas using co-operative type structures.

Project Team: Terry Bishop, Garry Cronan, Susan Hocking, Bob Corben

Title: Information Base

Description: To systematically sort, organise, electronically index and catalogue the ACCORD collection of material containing information relevant to co-operatives and social economic organisations

Project Team: Gary Lewis, Garry Cronan, Jayo Wickremarachchi

Projects in Progress

Title: Survey on the State of the Sector

Description: Describe and analyse aggregated financial data from co-operatives in NSW and link to a survey of co-operatives on their perceptions of significant current issues.

During 2000, ACCORD completed perhaps the first ever attitudinal survey of co-operatives in NSW. The report is due to be released at the end of year 2000.

Project Team: Jayo Wickremarachchi, Mark Lyons, Garry Cronan

Title: Legal Treatment of Co-operatives

Description: Examining the impact of changes in taxation and corporate law on co-operative and mutual operations and legislation

Report into the impact of changes in taxation and corporate law on co-operative and mutual operation and legislation

ACCORD commissioned two UTS legal academics to undertake a scoping study into the affect of corporate law, taxation and competition policy reforms on co-operative operation and legislation. The important drivers of change in these areas will be identified and their relationship to co-operative and mutual operation determined. The study will also examine recent relevant case law dealing with co-operative and mutual organisations.

Preliminary results of the study indicate that there is only very limited reference to co-operative and mutual operation and legislation in academic and professional legal journals and articles. Further detailed research work is currently underway.

Project Team: Michael Adams, (UTS) Chris Clarke (UTS), assisted by Mark Lyons, Garry Cronan, Peter Boland

Title: National Database Project

Description: Collection and maintenance of details on Australian Co-operatives

ACCORD has commenced development of a national database for collection and maintenance of data on Australian Co-operatives. The data would provide information and statistics about co-operatives in Australia, their distribution throughout the country, the industries in which they operate and their performance through the years.

Such data would also enable ACCORD to analyse various aspects of the sector and develop programs and measures that would benefit co-operative type organisations.

Project Team: Garry Cronan, Jayo Wickremarachchi

Title: Mapping Mutuality and Co-operation in Regional and Rural NSW

Description: Determine if co-operative and mutual activity is stronger in some areas than others

At present, there is a dearth of data on the distribution of mutual organisations. In this paper, ACCORD provides an initial map of the distribution of several types of mutual organisations in NSW. We examine whether some areas are more 'mutual-rich' than others, comment on data collection and analysis issues and propose directions for future study.

Project Team: Meryl McQueen, Mark Lyons

Title: Review of Research on Regional Development and Mutual organisations

Description: Examine current research into regional development in Australia and identify opportunities for linking such research to possible research and development projects on co-operative and mutual organisations

After conducting a survey of the density of mutuals in NSW, ACCORD undertook a review of academic institutions, government entities, independent research bodies and individuals who are currently involved in research into the areas of regional development to discover if any have undertaken research into the role of mutual organisations and related topics such as social capital.

Project Team: Meryl McQueen, Mark Lyons

Seminars Held

Title: Innovative Legal and Business Responses by Co-operatives to Globalisation and Competitive Challenges

Audience: Select legal and accounting firms and financial institutions with co-operative clients

Description: Highly Successful USA New Generation Co-operatives and their Application to the Australian Situation

External Resources:

- ◆ Prof Mike Cook, Professor of Co-operative Leadership at the University of Missouri, Columbia. (Prof Cook is one of the foremost international authorities on co-operative governance and the highly successful new generation co-operatives).
- ◆ Michael Werner, Chairman of American Crystal (Sugar) and the Dakota Pasta Growers (Specialist Grain). (Mr Werner has been at the forefront of a number of the most successful new generation co-operatives in the United States).



Mark Lyons introduces Michael Werner at the seminar on New Generation Co-operatives

Title: Co-operatives' survival in a global economy: New generation co-operatives in the USA

Audience: Researchers in agri-business, organisational theory, business strategies, regional development or legal and governance issues in co-operatives and member-based organisations

Description: How new generation co-operatives have helped redefine what it is to be a co-operative through innovative funding techniques and governance structures, which link supply rights to capital contributions and downstream value adding investments.

External Resources:

- ◆ Prof Mike Cook
- ◆ Michael Werner

Title: "Future of Co-operation - Should Co-operative Development be linked to Third Way" - UK Experience and Lessons for Australia

Audience: researchers in consumer co-operatives, operation and development of co-operatives, mutuals and social economy organisations, government policy makers, and co-op sector representatives

Description: The future of co-operation generally, (in particular consumer co-operation) - what new models are being developed in the UK and elsewhere and directions in co-operative legislation and other public policy (social exclusion etc) in the UK

External Resources:

- ◆ Bob Burlton, Chief Executive of Oxford, Swindon and Gloucester Co-operative Society Ltd.; Director of the UK Co-operative Wholesale Society, Co-operative Bank and the Co-operative College; Chair of the Co-operative Union; and member of the UK Co-operatives Commission.

Garry Cronan, ACCORD's Executive Officer summarising the proceedings at the seminar on Energy Co-operatives



Title: Policy Options and Opportunities for Co-operatives in a Deregulated Power Industry - US Rural Electric Co-operatives Experience and Lessons for Australia

Audience: Anyone interested in developing or researching usage of co-operative structures in a deregulated power industry, operation and development of energy co-operatives, government policy makers, and sector representatives

Description: To provide an overview of deregulation of the Australian power industry; to outline details of Australian experiments with Co-operative models; to examine emerging opportunities for co-operatives in a Deregulated Power Market and to draw lessons for Australia from US rural electric co-operatives' experience

External Resources:

- ◆ Hugh Outhred, Associate Professor in Energy Systems, University of New South Wales
- ◆ Clare Petre, NSW Energy and Water Ombudsman
- ◆ Robert L Church, President, Management Consulting Services, Inc., USA
- ◆ Ray Bowen, Purchasing and Supplies Manager, Port Stephens Council

Presentations Made

During the year 1999-2000 ACCORD was invited to make presentations to a range of state, national and international conferences and seminars. These included:

Title	Audience/Conference/Description	ACCORD
Trends and Critical Factors Affecting Co-operative Success	Bonlac Co-operative Grower Representatives Conference	Garry Cronan
Review of the European Social Economy – Lessons and Directions for Australia	Mutuality Australia Formation Meeting and Round-table Seminar	Garry Cronan
Co-operative and Mutual Public Policy – Demutualisation in Australia	Mutuality Australia - Mutuality and the Third Way Conference	Garry Cronan
Reflections on Australian Mutuality	Mutuality Australia - Mutuality and the NRMA Seminar	Mark Lyons
Outline of ACCORD Activities and Review of Australian Co-operation	Queensland Registry of Co-operatives 1999 International Co-operative's Day Conference	Garry Cronan
Co-operative Ventures: Meeting the Challenge	Job Futures 1999 National Conference	Garry Cronan
The Importance of Research to the Future of Co-operation and Mutuality	1999 Co-operative Federation of NSW's Annual Conference	Garry Cronan
The Benefits of 2nd Tier Co-operative Structures – The North American Experience	Beefnet Co-operative Seminar	Garry Cronan
Agricultural Co-operation - The Role of 2nd Tier Marketing Co-operatives	Netco Grains Co-operative 1999 Conference	Garry Cronan
Co-operation – Understanding its Strengths and Weaknesses	National Farm Forestry Co-operative Conference	Garry Cronan
Energy Consumer Co-operatives in NSW: Environmentally, Economically and Socially Sustainable?	Eco-Politics Annual Conference	Garry Cronan
Co-operatives, Labour Markets, Employment and the Social Economy in Australia	1999 International Co-operative Alliance Research Conference	Garry Cronan
Australian Case Study – Co-operative Public Policy and Government Sector Relations	Canadian Co-operatives Secretariat Seminar	Garry Cronan
Co-operative Public Policy and Legislation in Australia	5th Asia Pacific Co-operative Ministers' Conference	Garry Cronan
Does Mutuality have a future in Australia	Australia's Communities and Regional Development Conference	Mark Lyons
Does Australian Co-operation have a Future?	Co-operative Federation of NSW's Seminar Future of UK and Australian Co-operation	Garry Cronan

Forward Plan

2000/01 activities

- ACCORD's Occasional Seminar Series: 6 more seminars to be held over the year.
- Jointly sponsoring with the Co-operatives Federation of NSW, a seminar series on Marketing Our Co-operative Advantage (MOCA) program. The seminars to be held in other Australian States and New Zealand
- The first ACCORD International Co-operatives, Mutuals and Social Economy Outlook conference
- In conjunction with other UTS/CSU academics and where appropriate industry partners, develop several proposals for the 2001 round of Australian Research Council Discovery and Linkage grants.
- A joint international Education and Training Project
- Hosting of International delegations from co-operatives, including the delegation from All China Supply and Marketing Co-operative
- Launch of ACCORD's e-Co-operatives initiatives designed to take advantage of the new on-line technologies, facilitate adaptation of the technologies by co-operatives, mutuals and the social economy and to monitor the impact of these technologies on these organisations and their values. The initiatives will include
 - Ongoing development of ACCORD's website.
 - A series of Global Awards recognising excellence in on-line co-operative activity.
 - The production of regular Global On-line Reviews, Conferences and Analysis Reports
- Undertake Research and Development Projects including
 - Understanding Mutuality: To study current public policy and mutuality and its effect on the registered clubs industry
 - Formation of an Energy Co-operative: Second stage of the project to prepare a business plan
 - Joint study into opportunities for energy co-operatives in Australia
 - Co-operative Bank Study: To study the feasibility and the need for a co-operative bank in Australia
 - Capital Restructure projects: To examine capital raising options, including CCUs, for value adding activities to be undertaken by the co-operatives
 - Review of Agricultural Co-operatives: To analyse the past performance of Agricultural Co-operatives and issues affecting their growth and development
 - Social Economy Project: To be the Australian partner on the project examining the nature and character of the social economy
- Further development of ACCORD's Associates Network
- Continued development of a series of Strategic Alliances and Partnerships with relevant University-based Research Centres, Advocacy organisations and other bodies

Financial Overview

Commencing 1 July 1999, ACCORD receives \$400,000 funding each year for a guaranteed 3 years. Under the terms of the agreement between the Universities and the Department of Fair Trading, (DFT), ACCORD is to achieve full financial self-funding at the end of this 3 year establishment phase.

The major direct funding source is DFT, which contributes \$300,000 per year. The cash component of this contribution is a grant of \$140,000 from the Co-operative Development Fund; the balance, \$160,000, is in the form of 2 fully funded DFT officers, who are 'on loan' to ACCORD for 3 years.

The two universities contribute a total of \$100,000 cash per year – UTS: \$75,000 and CSU: \$25,000. UTS and CSU have also undertaken to contribute approximately \$833,000 per year (\$2.5M over three years) of in-kind support to ACCORD.

Performance During 1999/2000

ACCORD finished its first year of operation with cash funds of approximately \$ 228,000, (This figure includes CSU's full cash contribution for the three years - \$75,000). This is made up of unspent grant funds, (from DFT and the two universities), and surplus from consultancy and other projects, including the holding of seminars, undertaken during its first year.

Surplus from projects amounted to nearly \$ 17,000- on a turnover of \$ 68,000- while \$ 1,800 was the profit from holding seminars during the year.

Statement of Income/Expenditure
1999/2000

Receipts	\$	\$
NSW Government Grant	\$ 300,000.00	
University Grant	\$ 150,000.00	\$ 450,000.00
Project income		\$ 68,000.00
Seminar Income		\$ 10,465.00
TOTAL RECEIPTS		\$ 528,465.00

Expenditure

Salaries		
Government loaned staff	\$ 160,000.00	
Research Staff	\$ 14,317.57	
Support Staff	\$ 27,488.93	\$ 201,806.50
Equipment		\$ 8,668.43
Project Expenses		\$ 51,001.31
Seminars/Conference Organisation Expenses		\$ 8,889.01
Conference Attendance (incl. associated travel costs)		\$ 12,656.13
Promotional Expenses		\$ 1,061.20
Printing & Stationery	\$ 236.31	
Travel Costs	\$ 9,610.11	
Communication charges	\$ 3,049.10	
Miscellaneous Expenses	\$ 3,533.25	\$ 16,428.77
TOTAL EXPENSES		\$ 300,511.35

Surplus of Receipts over Expenses	\$ 227,953.65
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NOTE:

This report is prepared mainly on a cash basis, extracted from the monthly Transaction Details reports for ACCORD accounts maintained by the University of Technology, Sydney and Charles Sturt University. It reports receipts in and payments out processed during 1 July 1999 to 30 June 2000. Some payments relating to salary expenses incurred during the year for which payments were made in July have also been included.

The receipts and payments recorded against any line item may not be the total of receipts or payments actually incurred for that item or project.