

Newsletter 22 - November 2004

We always appreciate your comments and contributions. Please email any suggestions or news items to the editor of ACCORD NEWS, Suzanne Henderson at suzanne.henderson@uts.edu.au.

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Familiar faces at ACCORD

'Co-operative enterprises provide 100 million jobs worldwide - 20% more than multinational corporations'. *Iain Macdonald*

Iain Macdonald Director General and Garry Cronan, Communications Manager of the International Co-operatives Alliance (ICA) visited ACCORD recently as part of an ICA mission to expand the movement in Australia and New Zealand.

While in Sydney, Iain Macdonald was interviewed on ABC Radio National and 2SER FM about the advantages of co-operatives in being more than just competitive in a globalised economy. "Co-operative enterprises provide 100 million jobs worldwide - 20% more than multinational corporations. Co-operatives are market leaders in many industry sectors such as agriculture," he said.

Read the Media Release: [Co-operatives more than just competitive](#)

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Pictured left to right: Lee Wilson, Research Assistant and Judy Johnston, Co-director, ACCORD with Garry Cronan and Iain Macdonald

Commentary

Demutualisation in Australia

By Paul Fitzgerald, Deputy Director, ACCORD

Australia has led the way internationally in the speed and scale of demutualisations. An underlying belief of the proponents of demutualisation has been that the mutual form is inherently less efficient than a traditional company structure. In particular, the complexity of raising capital for co-operatives is the most cited reason for demutualisation. However, recent research undertaken by the Association des Assureurs Cooperatifs et Mutuels Europeens has refuted this claim.

Read the full [Commentary](#)

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Co-operative Development and Mutuality

Successful co-operatives follow co-operative principles

Launching a report on the 2004 ACCORD Co-operative Leaders Survey while visiting Sydney, ICA Director General Iain Macdonald said, "it is encouraging to see that co-operative leaders in New South Wales are optimistic about the performance of their organisations, even though some felt they were not performing as well as in previous years."



*Iain Macdonald, ICA
Director General*

The report contains data gathered from senior contacts in co-operatives across New South Wales. The findings have been used to assess their organisations' compliance with co-operative principles.

"One of the ICA's goals is to promote the co-operative identity, and the co-operative principles are important guides on how co-operatives should operate," Mr MacDonald noted. "While most are complying with the principles, there are gaps that we think require attention."

'One of the ICA's goals is to promote the co-operative identity, and the co-operative principles are important guides on how co-operatives should operate.' *Iain Macdonald*

ACCORD Senior Research Fellow and author of the report, Andrew Passey says, "it shows that co-ops, who thought their performance was improving, were the most likely to comply with co-operative principles, and senior members of the NSW co-operative movement link economic growth with co-operative behaviour. This link is important when comparing the performance of co-operatives with other organisations".

Read the full paper: [Co-operative Principles and Co-operative Attitudes](#) (PDF 72KB)

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The Benefits of Belonging: What Members Value in Their Organisations

'Members of clubs and associations join for various reasons, not just to receive a product or service, relational benefits can count as well.' *Paul Simpson*

Adjunct Professor Mark Lyons, UTS School of Management, and ACCORD Research Fellow Paul Simpson, have investigated the apparent membership-decline in voluntary organisations. In a paper that formed the keynote address at the Australia New Zealand Third Sector Research Conference on 24 November in Brisbane, the authors identified a number of different reasons for belonging to a mutual organisation. These fall into

four dimensions: material (products/services/facilities), self-enhancement (learning new skills), and two relational benefits (meeting new people and sharing skills and experiences).

Findings from a survey of members demonstrated the validity of these measures, but also the complex pattern of reasons attributed to anyone choosing to become or remain a member. "Members of clubs and associations join for various reasons, not just to receive a product or service, relational benefits can count as well. We found members reasons for belonging can change over time, which may help the member decide whether to become more involved with, and committed to their club or association," said Paul Simpson.



*Paul Simpson,
Associate Research
Fellow at ACCORD*

From the survey, a typology of membership was developed (customer, loyal customer, active member and owner). Once again, interesting variations between membership types and different mutuals were found, as well as between member types and reasons for belonging. In general, active members and owners were more committed to the relational reasons for belonging. For those who wish to maintain or even rebuild mutuals in the face of competition, the implications of these results are important.

Read the full paper: [The Benefits of Belonging](#) (PDF 39KB)

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Networks, virtual and place-based



*Professor Ann Dale, a
leading Canadian
academic on
sustainable
development and
social capital.*

Virtual networks, online network formation and expert moderated network dialogue were three topics of discussion raised by Dr Ann Dale, Professor with the Science, Technology and Environment Division, Royal Roads University, Victoria, Canada. At a seminar hosted by Jenny Onyx, Associate Professor, School of Management, UTS, and Director of the Centre for Australian Community Organisations and Management (CACOM), Dr Dale gave a brief insight into a research initiative (to be concluded mid-2005) on social capital and sustainable development, part of which is to characterise the properties of networks that generate social capital, and of network formation. Dr Dale advocated the use of electronic dialogue as a tool to increase literacy, both scientific and social, around specific sustainable development

issues. Four case studies will be undertaken for the research: three in Canada, and one in Australia (Broken Hill).

For more information, see www.e-researchagenda.ca.

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Co-operative Profile

Australian Medical Co-operative Limited
One-Stop-Shop Healthcare

In the [March 2002 edition](#) of the ACCORD Newsletter we published an article about the Australian Medical Co-operative Ltd (AMCL). The AMCL was then one of the newest, registered co-operatives. For this edition, more than 2 years later, we wanted to find out how this rather unique marriage between medical doctors and co-operative principles has stood its ground.

Read the [full report](#)

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General practitioners cooperating through the AMCL

The Co-operative Advantage

Creating a culture of new social business

The development of an Australian Indigenous Stock Exchange (ISX) is well under way. With the Ngunnawal and Kuku Yalanji Trading Floors already running, the Yawurru Trading Floor in Broome, launched in May this year with a live video broadcast presentation to approximately 150 sites across Australia and two international sites, added a digital dimension to the ISX. Gerhardt Pearson, ISX Chair and CEO of Balkanu, the Cape York Development Corporation, envisages three five-year phases of development for the ISX.

Read the full paper: [The ISX: Doing Indigenous Economic Development Differently](#) (PDF 78KB)

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APX - Go, Go, Go!

Australia Pacific Exchange Limited (APX) has been granted an Australian market license by the Federal Treasury to operate a new national securities market. APX is a cooperatively styled stock exchange where those who participate, or are involved in the market can own the market, according to Executive Chairman, Bill Bessemer.

Read the [full media release](#) (PDF 28KB)

Co-operative Publications

Cooperatives: Principles and Practices in the Twenty-First Century University of Wisconsin Cooperative Extension Publications

"Cooperatives: Principles and Practices in the Twenty-First Century" is a reference book for cooperators. Last published in 1980, it has undergone an extensive revision by Kimberly Zeuli, assistant professor, and Bob Cropp, professor emeritus, Department of Agricultural and Applied Economics, UW-Madison. The book's chapters on organization, structure, financing and management of cooperatives are as relevant today as ever.

Books can be ordered at <http://cecommerce.uwex.edu> (\$12)

Defining social enterprise

each). Or you can download the [publication](#) (PDF)

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ICA News

New Media Co-op

Italian Legacoop has established a new sectorial association for co-operatives in the media sector. According to Legacoop's President, Giuliano Poletti, the association aims to stimulate and protect "the peculiarity of the co-operative and non-profit communication activity as an entrepreneurial form."

[More ICA news](#)

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Enterprising ways to address long-term unemployment - the first in a series of practical booklets published by The New Mutualism Group.

Authors, Dave Langdon and Ingrid Burkett have drawn together the real-world experiences of social enterprise groups in Southern Queensland, working daily with people experiencing poverty, unemployment and social exclusion.

Download the [Publication](#) (PDF)

News in Brief

In Australia

Dairy Farmers prepares for IPO

Australia's largest co-operative, Dairy Farmers Group, which has annual sales of \$1.26 billion, has sold its 9.2 per cent stake in rival dairy company National Foods as part of preparations for an initial public offering within two years. Dairy Farmers Chief executive Rob Gordon said the \$126 million raised from the sale would help the group slash its heavy debt burden and allow it to invest in its own business before a possible IPO for the unlisted parent entity, Australian Co-operative Foods. Australian Financial Review, 22 October 2004.

See <http://afr.com/articles/2004/10/22/1098316844493.html> for more information.

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Collective Bargaining moves up a notch

South Australian milk vendors will begin to collectively negotiate the terms and conditions of distribution contracts with milk processors under an interim authorisation granted by the Australian Competition and Consumer Commission.

See <http://www.accc.gov.au/content/index.phtml/itemId/542003> for more information.

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Re-elections in SA

President Ian Wilson and Vice President Trevor Schmidt were re-elected at the annual conference of the Co-operative Federation of South Australia in Oakbank on 22nd October, 2004. Donny Walford, Chief Executive Officer of Vivasa Inc. (formerly SA Business Vision 2010) delivered the conference's keynote address on *The future of the State – Where are we now?*. Details on Donny Walford's speech can be obtained from David Osgood, Ph: (08) 8326 7455.

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Co-operative Training Proposal

The Victorian Federation of Co-operatives has been concerned for some time with the lack of co-operative education opportunities available in Australia.

Discussions recently with the Co-operative College based in Manchester U.K. has led to a joint proposal between ACCORD, the Federation and the college to customise an online co-operative management course to meet Australian training needs and requirements. It is planned to make the curriculum available online during 2005. It is hoped that the Victorian Government will fund the development work for the course.

The co-operative management course offered by the Manchester College is accredited by both Oxford and Cambridge Universities.

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In The UK

New Learning Opportunities in Europe

A partnership led by the Co-operative College has won funding to support a prestigious project to develop a co-operative curriculum for adult education in Europe. The project, to commence in January 2005 is funded under the EU Grundtvig scheme, and will focus on Director and Member training, sharing experience in the UK, Lithuania, the Czech Republic, Poland and Italy.

See <http://www.co-op.ac.uk/news.htm> for more information.

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Tax Group hails Band Aid refund

The Charities' Tax Reform Group (CTRG) has hailed the Chancellor's decision to refund the Band Aid Trust for VAT incurred on its re-release of *Do they know it's Christmas* as a "chink of light" in the sector's own tax battle with the Government.

See <http://www.thirdsector.co.uk/archive/results.cfm> for more information.

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Co-op childcare

The co-operative sector is aiming to improve childcare provision in the UK. Despite government pledges and massive investment, the public and private sectors have so far failed to provide the quantity and quality of childcare needed to meet escalating demand. Now a national co-operative childcare development project has been launched.

See <http://www.newsector.co.uk/articles/65childcare.htm> for more information.

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'How to' - handbook on employee buyouts

UK Co-op Union's "Delivering Employee Buyouts Group", a lobby and advisory group on employee buyouts, has produced a substantial "how to" handbook on SME Succession Planning called "Delivering Employee and Community Buyouts: A Guide to the Succession Process: A Technical Guide for Development Workers and Business Advisors" which can be viewed at: http://www.co-opunion.coop/live/images/cme_resources/Users/RURAL/Succession%20Guide.pdf.

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Other Territories

African chiefs inspired by Welsh co-op

Leaders in South Africa want to use a Llandudno Junction-based recycling company as a model for ventures aimed at tackling poverty, crime and unemployment. It follows a visit to Johannesburg and Durban by the management team of Crest Co-operative.

Read the [full article](#)

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Credit co-operatives undergo reform

China's financial authorities are speeding up efforts to transform the nation's 30,000-plus rural credit co-operatives into banks, to prevent further losses at the institutions and to guarantee future financial support for the country's agricultural sector and rural-based enterprises. China Business Weekly, 20 October 2004.

Read the [full article](#)

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Fonterra taps health market

New Zealand dairy giant Fonterra Co-operative Group Limited went into competition with tiny Waikato rival Tatua as it began producing the lucrative dairy protein lactoferrin. Fonterra opened a \$15 million lactoferrin-processing plant on 19 October at its Hautapu

site near Hamilton. New Zealand Herald, 20 October 2004.

Read the [full article](#)

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What's On?

In Australia

Social Capital Symposium

Tuesday 7 December 2004, 9:30am – 4:30pm

Wine & Food Industry Training Centre, CSU, Wagga

[View Program](#)

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Education and Social Action Conference

6-8 December 2004

Centre for Popular Education at the University of Technology, Sydney.

Contact: Lee Malone, Ph: 02 9514 3861, email: www.cpe.uts.edu.au

More information: www.communitybuilders.nsw.gov.au

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2nd National Conference on the Future of Australia's Country Towns

Call for papers

11- 13 July 2005, LaTrobe University, Bendigo, Victoria

Contact: Maureen Rogers - 03 5444 7523 or maureen.rogers@latrobe.uts.edu.au

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Beyond Declarations - Working Partnerships for Sustainability National Conference

16 - 8 March 2005, Manly Pacific Hotel, Manly, NSW

The conference is designed for all who are interested in developing effective sustainability partnerships including sustainability practitioners from all levels of government (including environmental scientists, environmental educators, social and strategic planners, engineers and councillors) and the corporate, academic and community sectors.

Contact: Julie McGraw (Conference Organiser) jmcgraw@gemspl.com.au or 02 9744 5252

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Overseas

3rd Asia-Pacific Regional Research Conference

30 November, 200, Lotus PSK Hotel, Chiangmai, Thailand

More information: <http://www.icaroap.coop/evDetails.asp?id=33>

[View Program](#)

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Announcements

Co-operatives online, first national database of co-operatives soon to come ...

ACCORD will shortly launch Australia's first online database of co-operatives. Listing nearly 2000 co-ops in Victoria, New South Wales and Queensland, the database will be regularly updated and include other states.

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Push towards Youth

As part of a global push to get the Youth involved with the co-operative movement, the British Columbia Institute for Co-operative Studies (BCICS), <http://web.uvic.ca/bcics/index.html> in collaboration with the International Labour Organisation (ILO), the International Co-operative Alliance (ICA), and the Canadian Co-operative Association, is preparing a book showing how young people around the world are using co-operatives to meet their economic and social needs. The publication will present case studies of co-ops operated by young people, and articles about co-ops that have innovative youth programs. The book will also feature essays by young people exploring the world of co-operatives and co-operative action.

The BCICS is seeking written contributions, pictures and photos from different parts of the world, particularly from Australia. The book is to be written by and for young people, with 'young people' being defined as being under the age of thirty. The expected publishing date is May 2005.

If anyone would like to submit a piece to this book, but would like to discuss it with someone from Australia first, please contact Lee Wilson on (02) 9514 5754 or lee.wilson@uts.edu.au.

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About this Newsletter

We welcome your comments on our newsletter and any suggested topics or items for inclusion in the next issue, due for publication in February 2005. Please forward any items of interest including news and events, case studies, profiles, reports or commentaries to suzanne.henderson@uts.edu.au by 20 January 2005.

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