

# Community resilience report launch

Webinar

11 November 4pm – 5pm





## ***Acknowledgement of Country***

***We acknowledge the traditional custodians throughout Australia and their continuing connection to land, waters and community. We pay respect to their cultures, and Elders past, present and emerging and to all Aboriginal and Torres Strait People here today.***

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**FUTURE PROOFING AUSSIE FARMERS**

## About BCCM

**The Business Council of Co-operatives and Mutuals (BCCM) is Australia's only peak body for co-operatives and mutuals across all industries.**

**The BCCM works to increase awareness of these businesses and their important contribution to the national economy and community development of Australia. [bccm.coop](http://bccm.coop)**

**Melina Morrison CEO**



## Senator Bridget McKenzie

**Minister for Regionalisation, Regional Communications and Regional Education and  
Minister for Emergency Management and National Recovery and Resilience**

**Michael Pilbrow – Chairman, Strategic Development Group**

**Nicole Dennis – Urban and Regional Strategist, Strategic Development Group**





## What is a co-operative?

A co-operative or mutual enterprise (CME) is a member owned organisation with five or more active members and one or more economic or social purposes. Governance is democratic and based on sharing, democracy, and delegation for the benefit of all its members.

There are over 2,000 co-operatives in Australia with approximately 230 being agricultural co-operatives.

The top 100 Australian co-operatives and mutuals have a turnover of more than \$33 billion and 8 in 10 Australians are a member of at least one co-operative or mutual.

The Co-operative Principles are internationally agreed principles enshrined in Australian cooperatives legislation.



## Why did we do this report?

To demonstrate the value and power of co-operatives in disaster recovery and resilience in Australia's agricultural communities.

Through four case studies around Australia, this report examines the unique role that co-operatives play in not only preparing their communities to respond to disasters and economic, environmental, and social shocks and stresses, but how in many cases, they are leading their economic, social and environmental recovery.





# What is it about the co-operative model that works so well for preparedness, resilience and recovery?

This report primarily looks at the example of four Australian case studies selected due to the known role they have played in the recovery and ongoing resilience of their communities experiencing one or more disaster events in recent years.



**Cobargo**



**ORICoop**



**Sweeter Banana**



**TAFCO**



# What is it about the co-operative model that works so well for preparedness, resilience and recovery?

## These co-operatives:

- Are member owned – putting members and the community first
- Are able to pool risk
- Work together to increase buying power
- Share marketing and work together to increase their customer base
- Create social connections and build high levels of trust
- Are at the centre of the community in disaster zones and deliver personal and ongoing recovery support
- Provide training and education to support recovery and improved resilience
- Are a physical place to meet for social and emotional support
- Have efficient communication avenues with members
- Support the sustainability of local production, land, markets and communities



## Cobargo

The Cobargo Co-operative (NSW) stepped up to lead the first response and ongoing recovery of their small rural community after the tragic New Year's Eve bushfires that swept through the community in the early hours of 2020.





# COBARGO CO-OP

SINCE 1901

*"We know it is a huge community asset and they needed someone there to help as nothing was open. Having those values and being a co-operative made a difference to how we responded and what we did."*

Dan Williamson, Manager



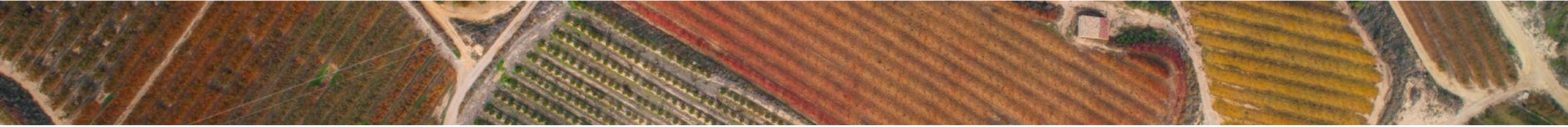
# Cobargo's Vision

“To support the community of Cobargo and districts, to grow and prosper into the future, being open to how this may evolve.

We aim higher than just economic growth, looking to support Cobargo's social capital by being a vibrant and interactive place where community feels safe and supported to connect.”





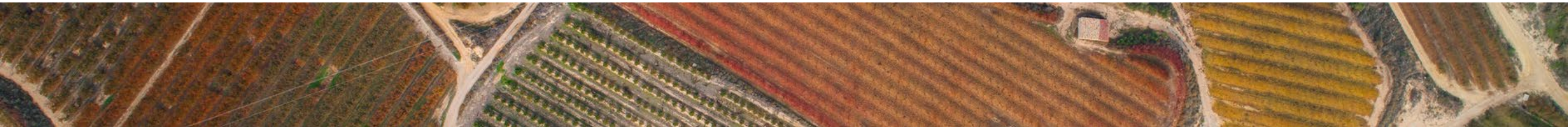


## Leading the emergency response and ongoing recovery from bushfire

After the New Year's Eve fires that devastated Cobargo in 2019, the Cobargo Co-operative not only became ground zero for the disaster response but has gone on to play a pivotal role in the ongoing recovery of the community.

*“This experience has built a stronger connection to the community – people now know we are a co-op, not just a shop”*

**Dan Williamson,  
Manager**



*“It was lovely to watch, the staff were run off their feet, but they still found the empathy and time to chat, Dan stepped up to the mark, it was a big ask”*

**June Tarlinton, Chair of the Board**

Co-operative turnover has increased significantly since the bushfires as many community members and people from the region have used the co-operative to purchase fencing and other rebuild items in addition to other benefits:

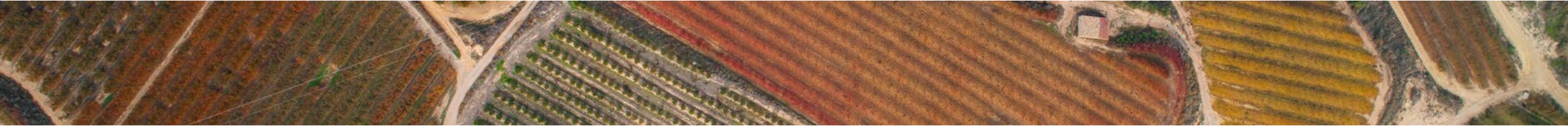
- Bushfire grant money spent at the co-operative who were able to offer very competitive rates
- Increase in co-operative membership with membership still increasing (94% of sales are from members)
- Turnover had never exceeded \$3m prior to the fires
- 1.5 new jobs created at the co-operative in 2020

Increase in total trade since fires:

Financial Year	Turnover (million)
FY 18-19	\$2.76
FY 19-20	\$4.15
FY 20-21	\$4.12

Increase in fencing trade since fires:

Financial Year	Turnover
FY 18-19	\$253,000
FY 19-20	\$1,010,900
FY 20-21	\$805,500



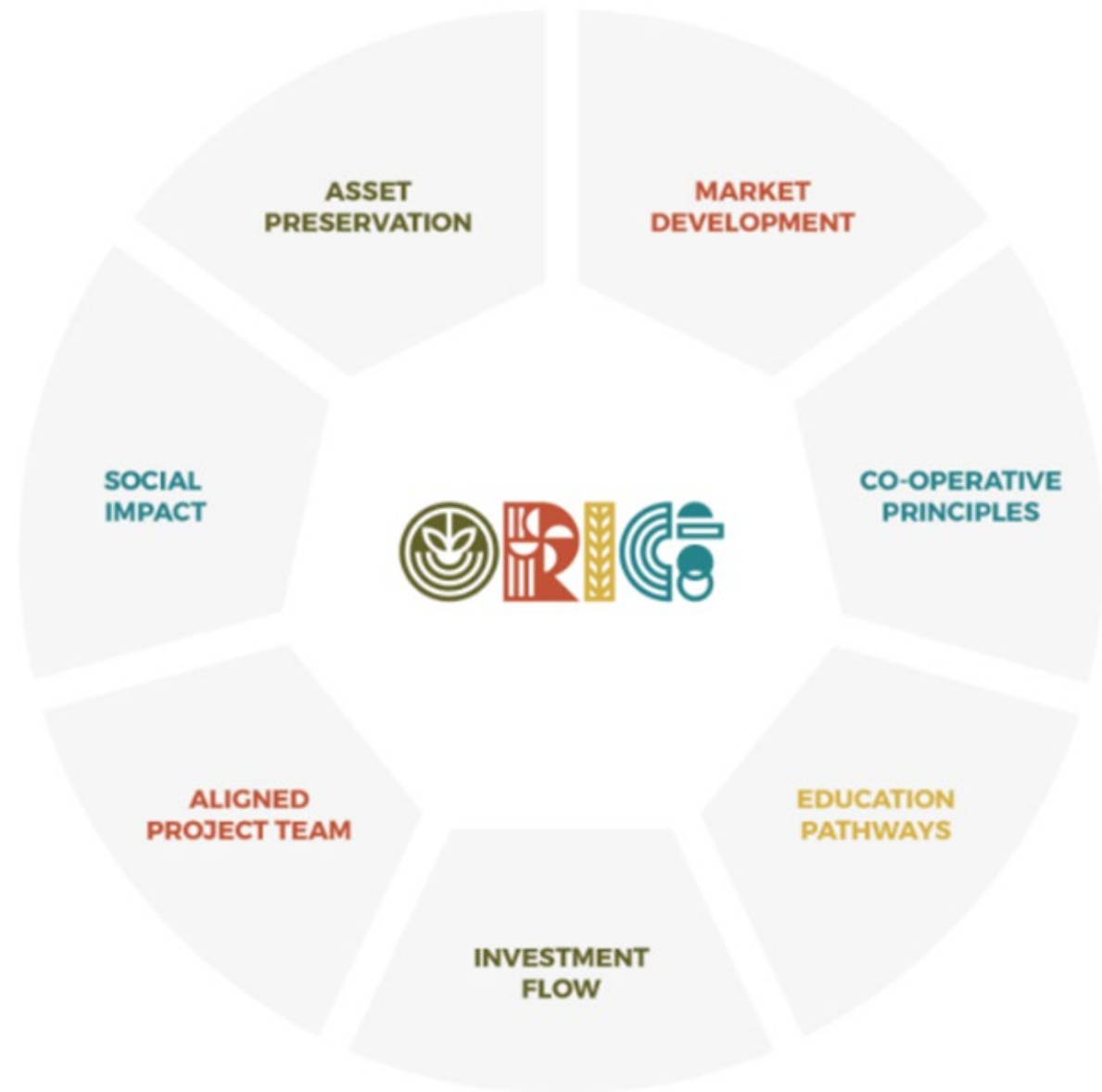
## Lessons from Cobargo

- Cobargo has been recognised as a leading example of community-led response
  - As a member owned organisation, the Cobargo Co-operative puts its members and the community first.
  - The high level of trust that had already been built in the co-operative allowed it to be a conduit to receive and distribute cash and essential donations to those most in need.
  - The co-operative acted as a physical place to meet and already contained an organisational structure to
- organise and mobilise support. Cobargo is still in recovery, however, the trust that the community has in it has grown in addition to it retaining a considerable amount of the financial aid donated within the local economy.
- The transparency and accountability of the co-operative model allowed for quick decision making and direct governance chains to allow immediate action.

## ORICoop

ORICoop is a co-operative that protects, preserves, and enhances organic farmland and provides education, support, and an engaged community of organic farmers across Australia.

They provided personal support to organic farmers after the 2019-20 bushfires, 2020 floods and recent storms in Gippsland through their network of skilled biological consultants and organic farm experts, through coordinating relevant and needed donations, providing emotional support and fostering community bonds amongst affected producers.



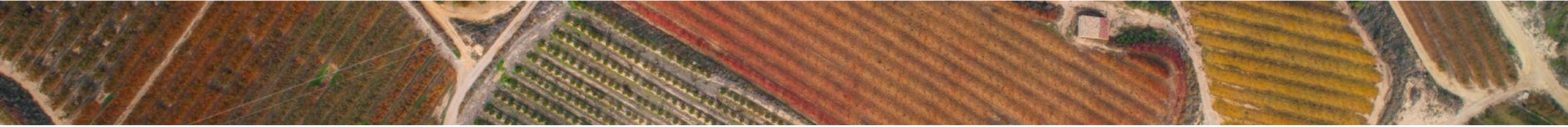


*“We asked the farmers – what do you need, and how can we help? They don’t need massage vouchers. They want someone to help restore their soils and map out a recovery pathway.”*

**Carolyn Suggate, ORICoop Founder and Director**







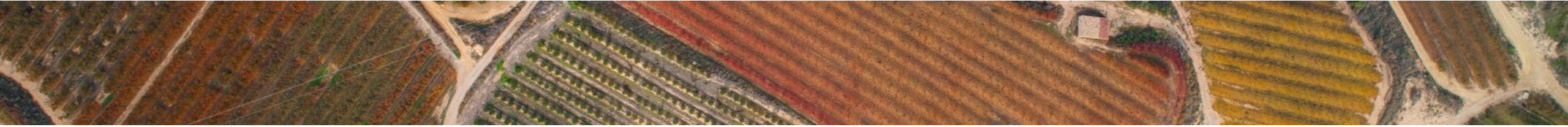
## Providing connection, on-farm consulting expertise and emotional support to organic farmers across Australia

ORICoop has a purpose to preserve land that is certified organic. Part of that purpose involves supporting disaster affected organic farmers, restoring their faith in their business and land, and continuing their farm to be organically certified.

After the 2019-20 bushfires, ORICoop actioned their Organic Producers Bushfire Appeal. A lot of the government relief support was not appropriate for organic farmers, so ORICoop stepped in to fill this gap.

They raised over \$89,000 in cash that included a \$25,000 grant from the Australian Mutuals Fund (AMF) and BCCM's bushfire grant pool. ORICoop more than tripled this figure into \$450,000 worth of value which included consultants' time, and materials donated including organic compost, biological stimulants, securing soil tests at cost price, six truck-loads of certified organic hay and more. They were able to help 15 bushfire affected farmers in seven different bushfire affected areas across Australia.

***“ORICoop has come into its own since the fires”***  
**Carolyn Suggate, Founder and Director**

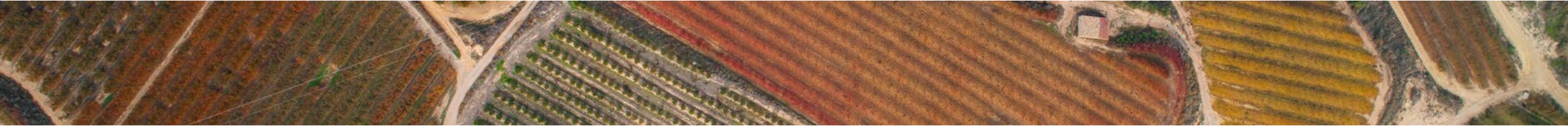


## ***“Putting surplus back into the co-operative is important to supporting the values of this community”*** Gerhard Grasser, Member and Expert Consultant

- There is a lot of faith in the co-operative and the membership is growing.
- These strong social networks that the co-operative holds further helped recovery.
- ORICoop found that the personal and tailored approach to supporting farmers has made a significant difference to these producers.
- ORICoop is now investigating a mechanism that would create a resilience ‘pool’ for ongoing natural disasters, through allocation of 5% of turnover, which will prepare the co-op to respond quickly to future climate and other disasters affecting its members and organic farmers around Australia.

***“After the fires the rain washes away the nutrients from the soil that were created by the fire, we helped impacted farmers improve the organic matter in their soil to increase their production”***

**Greg Paynter, Member and Expert Consultant Volunteer**



## Lessons from ORICoop

- ORICoop has connected a community of organic farmers across Australia who have supported each other physically, financially, emotionally and practically through disasters
- Bringing together a small sector of primary producers to share knowledge, resources and create community can lead to a multiplication of benefits.
- The resourcefulness of the leadership has seen ORICoop turn the \$89,000 it raised to respond to the bushfires into over \$450,000 of value directly back to these affected producers.
- ORICoop is a relatively new co-operative that is building on the organic farming community that they have connected within their membership.
- ORICoop is developing a resilience fund in addition to piloting its own farmer-owned Eco-Credit reward system.
- With a focus on training and knowledge sharing, ORICoop shares its resources publicly and is supporting the broader sustainability of primary production, soil health and food security across Australia.



## Investing in our capacity to co-operate

These case studies have demonstrated the many dimensions of value that co-operatives bring.

We believe that this model holds untapped potential to be applied across multiple primary producer markets and regional communities to increase their resilience to disasters, threats, shocks and stressors as they are:

- Community owned, local enterprises with democratic governance
- Transparent, one member, one vote structure
- 100% of profits reinvested in local communities



## Co-operatives are leading bushfire recovery

Co-operatives have contributed significantly to the bushfire response and recovery of impacted communities through:

- **Community led**, locally informed decision making and leadership
- Have a **high level of existing trust** to deliver accountable solutions when needed
- Investment and recovery **aid distributed locally and quickly** to those who need it
- **Existing social capital and leadership** network that was quickly accessed in an emergency and built on through long term recovery







## Co-operatives deserve a seat at the table

They have valuable community led experience to add to resilience planning, disaster response and recovery



## Co-operatives are a resilient model that should be supported

Education, funding and awareness to support communities and industries establishing a co-operative should be available



## Co-operation among co-operatives

The BCCM offers informed advice to organisations, government, communities and industry seeking to establish a co-operative through free resources, peer networks and mentoring





## Recommendations for Commonwealth, State and Local Government

Topic	Recommendation
Resilience planning and recovery	Government recovery programming must ensure that co-operative businesses are actively engaged in, and eligible for all business support programmes that the government announces, particularly for small business.
	Co-operatives should be engaged in disaster response and recovery planning as their unique perspective and invaluable experience can be applied to create positive impacts and increase resilience in communities around Australia.
	In communities where a farmer or customer owned co-operative retailer exists, they should be delivery partners of preference for local relief and rebuilding support.
	In the immediate response and recovery phase, community ownership structures should be incentivised as business models that allow resources to be pooled for greater impact, that ensure the delivery benefits flow to the local community and that local ownership is retained to rebuild impacted economies and communities.
	Federal, State and Local Government should work with the co-operative and mutual sector to support the roll out of training and education on what the co-operative model can do for primary producers and regional communities across Australia.
	The establishment of member-driven resilience funds and insurance pools for primary producers (such as the Carnarvon model to protect vulnerable crops and safeguard Australia’s food security and economy) be included in the models for consideration by all levels of government when addressing insurance and risk issues – in partnership with the mutual insurance industry.





## Recommendations for Commonwealth, State and Local Government

Topic	Recommendation
Grants, incentives and support	Existing and new business and community support programs should widen their criteria to include co-operatives (both distributing and non-distributing). (Co-operatives are sometimes inadvertently excluded from business support programs because they are not registered as companies under the Corporations Act. Instead, they are registered under harmonised state-based co-operatives legislation. This means they do not have an ACN, so if program guidelines or application forms require an ACN, this could exclude legitimate co-operative businesses.)
	Regional communities with a co-operative business idea be given access to co-operative ‘start up’ grants in addition to a mentorship program with an existing co-operative to support them to thrive.
	Programs like the New Enterprise Incentive Scheme (NEIS) can be redeployed in impacted communities to support the development of new co-operative enterprises.
	All co-operatives should be able to receive and distribute financial donations to their members and communities in response to disasters in line with their purpose. (Although co-operatives have a clear purpose and community benefit enshrined in their constitutions, they may not be registered charities nor endorsed by the Australian Taxation Office (ATO) to offer tax deductions on donations – called deductible gift recipients (DGRs))
	Tax or financial incentives should be used to support the pooling of community assets and resources to make more strategic investments that will be community owned and managed.



# Recommendations for Commonwealth, State and Local Government

Topic	Recommendation
Adding value in communities	Governments, business and community stakeholders should recognise the potential for application of co-operative business models in discussions and policymaking in agricultural, labour, renewable energy, transport, retailing, manufacturing and social/recreational activities.
	The multi-faceted role that co-operatives play in their communities to add value across the economy and build social fabric should be recognised and promoted in rural communities.



## CO-OPERATIVE FARMING

*“I see the role of co-operatives in rural communities being a major catalyst for the retrofitting of our vulnerable regional communities as they adapt to face bushfires, floods, storms and other disasters.”*

Professor Mary O’Kane, NSW Bushfire Inquiry Co-Chair

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FUTURE PROOFING AUSSIE FARMERS





**Dan Williamson**  
**Cobargo Co-operative**

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FUTURE PROOFING AUSSIE FARMERS



**Carolyn Suggate**  
**ORICoop**

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**FUTURE PROOFING AUSSIE FARMERS**



**Q&A**

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