

# Co-operatives WA News

JUNE 2011



Combined ICA International Co-operative Day  
and UN International Day of Cooperatives  
Saturday 2 July

## *"Youth, the future of co-operative enterprise"*

Our youth are the future in all aspects our lives and direction.

The board and management of every co-operative need to be asking –

- what are we doing to ensure we have a future?
- are we doing enough?
- what can we do better?

Don't assume anything. Today's youth want to learn and experience things themselves.

Engage with them. History often repeats itself through generational cycles. With generational change comes a tendency to learn from personal mistakes and close-at-hand experiences, rather than the mistakes of others. So get close to today's youth. Make sure they experience the good co-operation can deliver. After all they are your co-operative's future.



**Ask not what our youth can do for your co-operative - ask what your co-operative can (and should) do for our youth.**  
(apologies to JFK)

## Blockbuster 2011 Conference -Key Note Speakers

We are pleased to announce that Michael Pilbrow of West Belconnen Health Co-operative will deliver the key note address at the 2011 Annual Conference. Operating in the Australian Capital Territory for just over 12 months the Co-operative is a standout success story with over 5,500 people covered by Co-op memberships.

Come and learn how the co-operative business model was used to solve an important health issue and how the ACT experience could be applied to health and other community services in Western Australia.

Our other guest speaker this year is Scott Kinnear, Director of Hepburn Community Wind Park Co-operative. Hepburn Wind is the owner of Australia's first community owned wind farm, at Leonards Hill, Victoria.

Check out the full conference program at [www.cooperativeswa.org.au](http://www.cooperativeswa.org.au).

### MARK YOUR DIARY

**Annual Co-operatives WA  
Conference and Dinner**

**Wednesday 14th September 2011**

**Technology Park Bentley**

Newsletter of Co-operatives WA

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# Councillor Profiles

Welcome to two new Councillors who joined the Co-operatives WA Council in recent months.

## Stephen Wren



### General Manager—Co-operative Purchasing Services

Stephen was appointed General Manager of CPS in August 2010.

Stephen has extensive experience in retail and supply industries having worked in management for Foodland Associated Limited (FAL) and Goodman Fielder Pty Ltd in Western Australia, South Australia, Victoria and New South Wales. Within these and other businesses Stephen has strong experience in accounting, information technology and strategic business management.

Stephen has also owned and operated several small businesses in WA and joined CPS after five years as General Manager of a large marine dealership. Stephen holds a MBA from the University of Western Australia.

## John Ritchie



### Chairman—Geraldton Fishermen's Co-operative

John Ritchie is a second generation fisherman who commenced fishing fulltime in 1970. He became a GFC shareholder in 1976, was elected to the board in 1991 and served as Vice Chairman from 2001 until 2009. In 2009 he was appointed Chairman.

John has extensive experience through his involvement with various organisations in the Western Rock Lobster fishery. He is a current member of the Geraldton Professional Fishermen's Association.

He has also served as a member on the Abrolhos Island Management Advisory Committee and was chairman of the Southern Group Carrier Boat Company for 10 years.

# Statement of Corporate Intent

Council regularly reviews its role and functions. The following statement was adopted by Council at its June meeting.

## Vision -

To be viewed as the centre of excellence and leading authority on co-operatives in Australia.

## Purpose -

- Represent the interest of members at state and national level
- Promote co-operative vision and values and the co-operative business model
- Promote the co-operative sector's significant contribution to the economy and the community
- Support the formation and development of co-operatives
- Make a positive contribution to the advancement of co-operative enterprises within Australia's emerging 4th economic sector'.

## OBJECTIVES & STRATEGIES

### MEMBERSHIP

To encourage, promote and develop membership by -

- proactively marketing co-operative structures to the broader community
- providing value added member services

### STATE CO-OPERATIVE LEADERSHIP

Provide strong and informed leadership through -

- sound policy formulation and a professional approach to policy implementation
- representation of WA interests at the national level

### KNOWLEDGE

To develop, maintain and share a definitive co-operative knowledge base by -

- collaborating with education institutions on professional development and applied research to promote co-operative education
- facilitating multi-discipline avenues of communication amongst stakeholders

### FINANCIAL PERFORMANCE

Ensure the Federation's financial sustainability by -

- maintaining an appropriate membership fee structure
- prudent allocation of financial and human capital

### GOVERNMENT RELATIONSHIP

Positively influence all levels of state and local government on co-operative matters by -

- providing respected professional advice in a timely manner
- being the government's preferred service provider to the WA co-operative sector

### ECONOMIC DEVELOPMENT

Advance the standing of Australia's **emerging 4<sup>th</sup> economic sector** by -

- aligning WA's business-driven co-operatives with the 4<sup>th</sup> sector
- building co-operative brand recognition and value

### NATIONAL RECOGNITION

Ensure government and community recognition of the role of co-operatives in the 4<sup>th</sup> sector is achieved through -

- collaboration with sector participants Australia-wide
- participation in a professional and respected national peak body for co-operatives.

Note:' Co-operative enterprises embrace the recognised 7 principles of co-operation and are typically formed by people with a common need and a shared vision to carrying out activities that deliver benefits directly to members as well as delivering a strong multiplier effect on local, state and federal market based economies. As such most co-operatives are likely to sit outside the traditionally recognised 3 sectors of a marketed based economy and be more aligned with enterprises moving towards a recognisable 4th sector.

## WA leads the nation

Co-operative Bulk Handling Ltd has retained its No. 1 position on the prestigious Australia's Top 100 Co-operatives Credit Unions and Mutuals list.

Keeping CBH in good company on the list are -

Co-operative Bulk Handling	1
HBF	3
Capricorn Society Ltd	4
RAC	5
Ravensdown Fertiliser Co-op	14
Geraldton Fishermen's Co-op	21
Police & Nurses Credit Union	29
Western Australia Meat Marketing	30
Co-operative Purchasing Services Co-op	54
Mount Barker Co-op	56
Wesbuilders Co-op	65
York District Co-op	81
Kojonup Co-op	94
Ord River District Co-op	95
Sweeter Banana Co-op	100

Fifteen per cent representation from WA in the national list is impressive. With WA filling 4 of the top 5 positions it is even more impressive.

## CBH Congratulated on Initiative

Chairman of Co-operatives WA, Chris Enright congratulated Co-operative Bulk Handling Ltd on being the first WA co-operative to pass the required special resolutions of members to make the transition from the Companies (Co-operative) Act 1949 to the Co-operatives Act 2009.

"The move by CBH to transition early and take advantage of the new legislation will no doubt be the catalyst for other co-operatives to bring on their transition timetable rather than wait."

"Co-operatives WA and the Department of Commerce have been working together to make the transition path as easy as possible and having CBH, Australia's largest co-operative, lead in the way they have, sends a positive message to all WA co-operatives."

"With CBH now able to register under the 2009 Act we are on our way to our target of having 70% of our members transferred to the new legislation by the end of 2011 with the balance to be completed early in 2012," said Mr Enright.

## International Year of Co-operatives

The official IYC logo and tag line has been released and will start to appear around the world in the lead up to and during 2012, as we recognise the contribution co-operatives have made to national and regional economic development is recognised world-wide.



## IYC State Steering Committee

A state steering committee has been established to guide and encourage local activities during 2012. In recognition of the co-operation principle applied in a wide range of member owned entities the committee has high level representation from Capricorn Society, Co-operative Bulk Handling Ltd, Co-operatives WA, Department of Commerce, HBF and RAC WA.

## Quotes of Note

The following quotes convey a powerful message to those having to protect that fickle thing we refer to in business as "goodwill".

It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently - Warren Buffett.

You can't build a reputation on what you are going to do - Henry Ford.

George Bernard Shaw said in a moment of self-reflection on his life as a playwright - "My reputation grows with every failure".

The Youth of a Nation are the trustees of Prosperity—Benjamin Disraeli—UK Prime Minister, 1868 and 1874 to 1880.

### Disclaimer

While all care has been taken in compiling information for this newsletter and it is provided in good faith, it is not to be relied on as a substitute for professional advice. Co-operatives WA accepts no responsibility for the accuracy, completeness or timeliness of information. The views expressed within the newsletter may be those of the authors and not necessarily those of Co-operatives WA.

## Financial regulators' concerns quelled: Detilleux

The International Co-operative Alliance (ICA) is gearing up once again to lobby for co-operatives worldwide in discussions with two global accounting standard setters with the next round of talks set to resume in June.

The ICA has been fighting for the recognition that co-operative member shares could be accounted for as equity, even when the co-operative didn't have the right to refuse redemption. The response from the standard setters had been promising.

However, the IASB and its Connecticut-based equivalent, the FASB, decided to temporarily suspend their deliberations in October. They announced they did not have the resources to continue with the project until this Summer.

"We are gearing up for their renewed discussions to ensure that co-operatives are properly understood as a solution to financial problems, and are not caught up in regulatory changes to address the problems caused by other sectors of the economy," says Jean-Claude Detilleux, Chairman of the ICA's international accounting standards working group.

When Mr Detilleux sat down to talks with the Chairman of the London-based international accounting standard setter IASB, Sir David Tweedie, back in February 2010, it was a productive meeting.

The IASB and FASB's motivation appears to have also been partly prompted back in September 2010 by a group of external reviewers including some major financial regulators, who questioned some of the proposed changes. Mr Detilleux says these financial regulators have since had many of their concerns quelled.

As Summer approaches in the northern hemisphere and IASB prepares to again address these issues, the landscape has changed again, as the European Commission opened a consultation on the subject. Mr Detilleux can't wait. "When we fight," says Mr Detilleux, who also ran the hugely successful co-operative bank *Crédit Coopératif*, frankly, "we win. That's because our case is very strong."

*Acknowledgement: Article is courtesy of International Co-operative Alliance May 2011 ICA eDigest*



Jean Claude Detilleux

## Publications of Interest

### **Co-operation—the beautiful idea**

Ebook by Edgar Parnell Published: Feb. 2011  
US\$3.99

This booklet explains, in less than 80 pages, the theory and practice of Co-operation and mutualism. It addresses the organisational issues that inhibit the development of many co-operative and mutual enterprises (CMEs). It deals with the practical aspects of running CMEs, including: co-operation in theory and practice, the economics of co-operation, the enterprise model, the purpose of co-operation, democratic control, leadership, financing—and provides an agenda for change. To order go to -



### **Reinventing Co-operation - the Challenge of the 21st. Century**

by Edgar Parnell  
(312 pages)

Published by the Plunkett Foundation  
Special Price of £10 plus overseas airmail  
postage

To order contact:

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## 2011/12 Sponsors

Council is pleased to announce, and thank, Co-operative Bulk Handling and Capricorn Society on becoming Platinum Sponsors of Co-operatives WA.

We also welcome Caxton Co-operative as a 2011/12 sponsor. Caxton is owned by WA Snap Printing Franchisees. Need printing – think Snap and check out [www.snap.com.au](http://www.snap.com.au). More information will follow on how Snap can assist with your printing and copying needs.

Co-operative Purchasing Services and the Mount Barker Co-operative have continued their generous sponsorship of Co-operatives WA activities and we thank them for their ongoing assistance.



## Email Signatures

Be proud of your co-operative heritage. Make the move and add a co-operative tag line to your email sign-off.

Let people know what your Co-operative is about. You can individualise a "tag" for your business or simply add a generic co-op message.

## Queen's Birthday Honours 2011

Congratulations to Professor Kadambot Siddique AM on becoming a Member in the General Division of the Order of Australia. Professor Siddique's award is in recognition of his service to agricultural science as an academic and researcher in the area of crop improvement and agronomy and through contributions to professional associations.

Prof Siddique is a member of the UWA Research team working with Co-operatives WA on the Linkage Grant study into co-operative business model sustainability issues.

## Australian Honours 2012

Do you know someone who would be a deserving recipient of an Order of Australia?

Honours help define, encourage and reinforce national aspirations, ideals and standards by identifying role models. Honours recognise, celebrate and say thank you to those who make a difference, those who achieve their best and those who serve others.

If you want to know more, check out the official website — [www.itsanhonour.gov.au](http://www.itsanhonour.gov.au).