



Australia's Leading Co-operative and Mutual Enterprises in 2014



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AUSTRALIA'S LEADING CO-OPERATIVE AND MUTUAL ENTERPRISES IN 2014

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ABSTRACT

This paper reports on a research study designed to map the size and structure of the Co-operative and Mutual enterprise (CME) sector in Australia. Its purpose is to provide a better understanding of these Australian Co-operative and Mutual businesses and their contribution to the national economy. Despite representing some of the largest businesses in their sectors and being found across a wide-range of industries the overall size, structure and contribution of the CME sector in Australia are relatively poorly understood. This is due to a paucity of reliable data, difficulties in definition and vagueness over which firms should be identified as CME. To address these issues the development of an Australian Co-operative and Mutual Business Index (ACMI) has commenced. This aims to provide data and analysis of the size and shape of the CME sector. In 2014 it has focused on the identification of the Top 100 Co-operative and Mutual enterprises in Australia to inform the peak body representing the sector, the Business Council of Co-operatives and Mutuals (BCCM).

Key words: co-operatives, mutual enterprises, Australia, Top 100.

INTRODUCTION

Co-operative and Mutual enterprises (CMEs) are a unique form of business that can trace their origins back to at least the late 15th Century with the establishment of the Shore Porters' Society in Aberdeen in 1498 (Shore Porters, 2007). However, the modern Co-operative movement takes its primary starting point from the establishment of the Rochdale Society in England in 1844 (ICA, 2014). It was that organisation that laid down the basic principles upon which the contemporary Co-operative business has been built. These included openness of membership, a governance system based on one-member-one-vote, distribution of financial surpluses to members based on patronage and payment of limited interest on share capital (Gide, 1922; Fairbairn, 1994). CMEs differ from more conventional investor owned firms (IOFs) in a variety of ways (VanSickle and Ladd, 1983):

1. The patrons of a CME, whether supplier or buyer, are also its owners;
2. The value of the CME's common stock is determined by its articles of incorporation rather than the open market;
3. CMEs can take advantage of deferred patronage refunds (rebates) as a source of capital;
4. CMEs can operate with a single tax on income paid by the business and not its members; and
5. The primary purpose of a CME is to benefit their members as patrons.

While CMEs can and do generate profits, their focus is typically not on the maximisation of shareholder returns and profits (Helmberger and Hoos, 1962). Instead they focus on producing services members require and delivering these as efficiently and competently as possible (Skurnik, 2002).

Profits or surpluses are usually distributed back to members based not on the amount of share capital they hold, but the amount of patronage they have done with the CME. This is typically done through rebates, which are usually exempted from tax and can be used for the capitalisation of the enterprise if members are willing to allocate this as a form of subordinated debt. CMEs are also characterised by democratic governance. While not true in all cases, the fundamental democratic principle of one-member-one-vote stands in contrast to the one-share-one-vote system of the IOF (Bacchiaga and de Fraja, 2004).

Another feature of CMEs is their “dual role”, which sees them performing an economic and social capital building function (Novkovic, 2008). CMEs generally focus their purpose on the economic and social enhancement of their members (Lange, 1985; Robertson, 2012). This dual role has given CMEs a key role in the creation of a vibrant social economy (Defourny, 2001). CMEs are focused on economic self-help for their members and as such they can contribute to assisting communities that might otherwise lack the necessary assistance from government (Davis, 2002).

CMEs have been major players in helping to alleviate poverty in developing economies and avoiding the need for communities to rely solely on welfare (Simmons and Birchall, 2008). This dual role frequently generates difficulties for CMEs and how they are recognised within the broader economy and the business community, because they can be viewed as too socially focused to fit comfortably within the more mainstream IOF community, but are also frequently too economically focused to be placed within the not-for-profit or social enterprise community (Levi and Davis, 2008).

The history of CMEs in Australia is a long and distinguished one. According to Balnave and Patmore (2012), the earliest Australian Co-operative founded along Rochdale principles was established in 1859 in Brisbane. Throughout the 19th and early 20th Centuries, the number of CMEs in Australia grew strongly. Across many parts of Australia's rural and regional communities wholesale and retail Co-operatives were founded. Primary producer Co-operatives also flourished in agriculture, dairying and fishing. Within the financial services sector Credit Unions, Friendly Societies, Building Societies and mutual insurance companies emerged, supported by a range of State Government Acts designed to provide legal status to their operations (ABS, 2012).

Throughout the 20th Century changes to Australia's rural industries, a decline in rural and regional populations, and government restructuring of financial services and agricultural industries placed pressure on the CME sector (Balnave and Patmore, 2008; 2012; Brewin et al., 2008). Despite this, today CMEs can be found across a wide-range of industries and include some of the largest firms in Australia. The total number of such enterprises in Australia has been estimated to be around 1,700 (Denniss and Baker, 2012), although this number is now considered to be a conservative estimate. As noted by the Australian Bureau of Statistics (ABS), co-operatives in Australia are difficult to define and the ABS does not have collection processes to easily capture these organisations. Many Co-operatives are not registered under state Co-operative legislation but with the Australian Corporation's law as public companies. Others are registered as both other incorporated or unincorporated entities. This means reliable data on Australia's Co-operative and mutual enterprises cannot be easily generated from ABS statistics (ABS, 2012).

As a result of this the role and overall contribution of CME to the national economy is poorly understood. There is a relative lack of good measures, clear definitions and reliable data on the sector. There is a need for a more comprehensive study that can more accurately assess the overall state of the co-operative and mutual enterprise (CME) sector in Australia. This will have significant long term benefits to the sector in relation to its ability to communicate with its members, governments and the wider community as to its true value to the economy. This paper examines the development of an Australian Co-operative and Mutual Enterprise (ACME) Index and provides some initial findings relating to the largest CME organisations.

DEVELOPING THE ACMI

The creation of the Australian Co-operative and Mutual Business Index (ACMI) commenced in 2012 following discussions with industry for a study to map the contribution of the sector to the national economy. It is a project being undertaken by the Co-operative Enterprise Research Unit (CERU) within the University of Western Australia (UWA) Business School. The index design draws on the conceptual framework of the co-operative enterprise business model originally suggested by Mazzarol, Simmons and Mamouni Limnios (2011) that examines seven elements within the enterprise, namely:

- i) **Purpose** – the purpose for which the CME was founded and that justifies its continuation;
- ii) **Member Value Proposition (MVP)** – how the CME defines and delivers value to its members;
- iii) **Profit Formula** – how the CME deals with surplus profits (e.g. whether or not it distributes these back to members and on what basis);
- iv) **Processes** – the operations that the CME must undertake to deliver its MVP and fulfil its purpose;
- v) **Resources** – the physical, financial and human resources the CME requires to undertake its operations;
- vi) **Share Structure** – how the share capital is allocated, and whether shares can be redeemed or traded; and
- vii) **Governance** – how voting rights and board positions are allocated, and the constitution and articles of incorporation are designed.

It also examines four input factors (social cooperation; government; industry structure and the natural environment), and two outputs (economic and social capital). The ACMI is benchmarked against industry measures used by IBIS World for their industry analysis (IBIS World, 2014a). This includes the firm's company details, history and industry context, financials, governance, growth and performance trends, products and brands, market segments, market share and major competitors.

The ACMI seeks, where it can, to replicate these data and also examines perceptions within the firm's senior management about its competitive environment; member value and social capital creation; membership and employment base; purpose; share capital and surplus distribution policies; and governance. An outcome of the ACMI process is the generation of a "league table" of the Top 100 largest CMEs in Australia. This is of particular interest to the Business Council of Co-operatives and Mutuals (BCCM) and was previously generated by Co-operatives Australia (CA) a role undertaken by the BCCM since 2013.

The 2014 Top 100 list by turnover differs significantly from previous lists, as CMEs were included from all sectors of the economy. Candidates for the 2014 list were drawn from third party publications, namely Dennis and Baker (2012), Top 100 lists published by Co-operatives Australia (CA, 2010; 2011; 2012), the State of The Health Funds Report (The Private Health Insurance Ombudsman, 2013), the list of health funds available by the Australian Government (PrivateHealth.gov.au) and a list of super funds provided by BCCM.

STAGE 1: DEVELOPING THE ACMI MEASURES

The first stage involved developing a list of the key data required for the ACMI. This included eight key areas with multiple items in each area. Discussions on the structure of these criteria took place with the industry, most notably the BCCM. Table 1 lists these areas and fields of data.

STAGE 2: DATA COLLECTION

Data collection began by reviewing all candidates for inclusion through data sourced from their websites and other publicly available sources, such as IBISWorld (2014a). In most cases these annual reports could be accessed in this way, which provided key financial data. This initial “desk top” analysis suggested reliable financial data was publicly available for most of these organisations through their annual reports.

TABLE 1: KEY AREAS OF THE ACMI

Major Area	Key data fields
1. Company information	Company name, address, state of origin, ABN/ACN, export activity, multi-state activity.
2. Governance	Registration as a co-operative; Democratic governance (e.g. “one-member-one-vote”); Adherence to co-operative principles; Regulated by (Co-ops Law; Corporations Law; APRA); Distributing v non-distributing; Whether or not it allows non-members to trade, own shares, vote or hold board positions.
3. Financial information	Gross annual revenue, EBITDA, NPAT and Total Assets for previous two financial years.
4. Annual report	Copies of annual reports for previous two financial years.
5. Membership & Employee Information	Total full time and part time employees for past two years; Total membership for previous two years; % of members who are individuals and % who are businesses for the previous two years.
6. Industry Sector	ANZSIC division – primary and secondary.
7. Competitive environment	Senior management perceptions of the changes to membership, community support, government regulation, economic policy, market competition and level of changes in the natural environment over the previous 12 months.
8. Member Value & Social Capital	Senior management perceptions of their member value proposition (MVP); members awareness and understanding of the MVP; community understanding of the MVP; engagement with the local community and marketing of the co-operative or mutual values.

With assistance from the BCCM and the Co-operatives Federations of Western Australia (WA) and New South Wales (NSW) most candidate companies were approached with a letter, email and/or phone calls seeking their participation in the study. An online survey was prepared and once a CME had agreed to participate, an email was sent to the key contact person who was asked to complete the questionnaire. Follow-up phone calls were made to increase the participation rate. At time of writing only about one third of the Top 100 had fully completed the questionnaire. It was decided that any organisation for which financial information was not publicly available and that did not complete the questionnaire would not be included in the final list.

STAGE 3: DATA REPORTING

The democratic member governance of the CME business model is an important distinctive feature of these organisations. Therefore, CMEs that provide services to members but are listed on the ASX or are owned by a listed or privately owned (non-member owned) organisation were not included in the list. Another important feature of these businesses is that any profits or surplus generated from operations is typically distributed back to members in proportion not to their shareholding but their level of patronage. As this is not the case with Superannuation funds, where members have primarily an investor character, it was decided to report

these separately to the Top 100 CME list. While recognising their mutuality, this highlights they are different in how they return value to members.

Due to the limited participation in the survey, the first part of this report focuses on the financial performance of the Top 100, as it was possible to gather accurate financial data from publicly available information. Other information collected by ACMI on the key areas of Governance, Membership & Employee Information, Industry Sector, Competitive environment, and Member Value & Social Capital is reported separately in the second part of this report, noting that this analysis is of the 36 respondents to the survey at the time of writing.

FINDINGS

THE TOP 100 CO-OPERATIVE AND MUTUAL ENTERPRISES (CME)

An initial focus of the project was the development of a Top 100 league table for Australia's CME sector using financial data for FY2012-2013 available from the public domain and, where possible or necessary, directly from the firms. This analysis suggested the largest CME in Australia by annual turnover was the WA bulk grains handling and storage business Co-operative Bulk Handling Ltd (CBH). This business reported an annual turnover of more than \$2.81 billion for the financial year FY2012-2013, an increase of just over \$543 million on FY2011-12. This was an increase of \$782.4 million over FY2010-2011, suggesting CBH had experienced significant growth during the preceding three years.

The second largest enterprise was the Victorian-based dairy CME Murray Goulburn Co-operative Co Ltd, which had an annual turnover in FY2012-2013 of around \$2.39 billion. In third place was the private health insurer The Hospitals Contribution Fund of Australia Ltd (HCF). A CME based in NSW with operations in all States and annual turnover of \$2.13 billion. In fourth and fifth place was WA-based health insurance mutual HBF Health Ltd with annual turnover of \$1.27 billion, and the motor trades services Co-operative Capricorn Society Ltd. Also headquartered in WA, Capricorn Society has a network that operates across Australia and New Zealand. In FY2012-2013 it facilitated member transactions worth \$1.21 billion.

As with CBH, all these businesses had experienced strong growth in turnover over the period from FY2010-2011 to FY2012-13. Appendix A lists the Top 100 co-operative and mutual enterprise by gross turnover for FY2012-13. Appendix B lists the top 10 CME Superannuation funds by turnover.

TOP 100 CME BY ASSETS

When ranked by assets held (current and non-current assets), the mutual enterprises operating in the banking and finance sector topped the list. The top five financial mutual enterprises by assets were:

1. Credit Union Australia (Qld) – \$9.96 billion.
2. Heritage Bank Ltd (Qld) – \$8.51 billion.
3. Newcastle Permanent (NSW) – \$8.30 billion.
4. People's Choice Credit Union (SA) – \$5.82 billion.
5. Greater Building Society (NSW) – \$4.96 billion.

Appendices C and D list the top 100 CME assets and EBIT (earnings before interest and tax). EBIT performance should be viewed under consideration that CMEs generally aim to maximise member benefit and not organisational profit. In doing so, they may discount their products and services, offer additional

value/services, or pay member rebates. Some of these can be visible in profit and loss (P&L) statements, while other strategies are incorporated in service pricing and delivery.

OBSERVATION

The information from this analysis of the Australia's largest co-operative and mutual enterprises indicates that the combined annual turnover of the Top 100 CME was in excess of \$25 billion for the FY2012-2013. If member-owned Superannuation funds are included, combined turnover exceeds \$104 billion. Further, the Top 100 CME hold combined assets of over \$108 billion, or more than \$282 billion when the top 10 Superannuation Funds are included.

GEOGRAPHIC DISTRIBUTION OF THE TOP 100 CME

The largest numbers (44%) of CMEs in the Top 100 were headquartered in NSW. This is not surprising as NSW has the greatest number of CME of all kinds. The other states and territories accounted for the remainder as follows: Victoria 17%, South Australia 13%, Western Australia 13%, Queensland 10%, Tasmania 2% and Australian Capital Territory 1%. Figure 1 illustrates the distribution of the Top 100 by State and Territory.

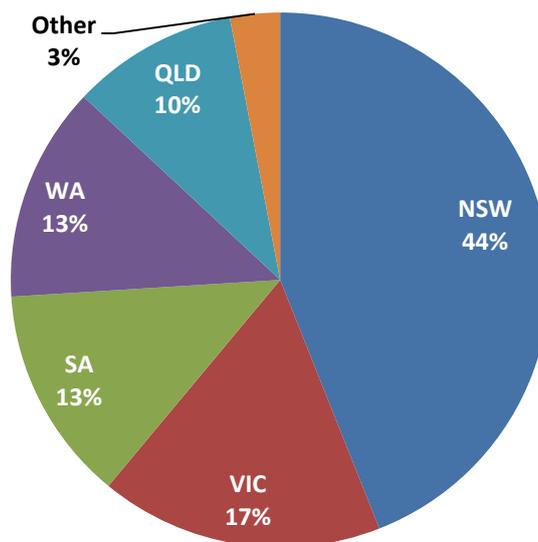


FIGURE 1: TOP 100 CME DISTRIBUTION BY STATE AND TERRITORY

Despite having only 13% of the Top 100 CMEs, WA accounted for 27% of the combined turnover, whereas NSW with 44% of the businesses accounted for 35% of total turnover. Figure 2 illustrates the breakdown of collective turnover for the FY2013 by State and Territory. This is a reflection of the presence in WA of several large CME, including the CBH Group, HBF Health Ltd, Capricorn Society Ltd and the RACWA.

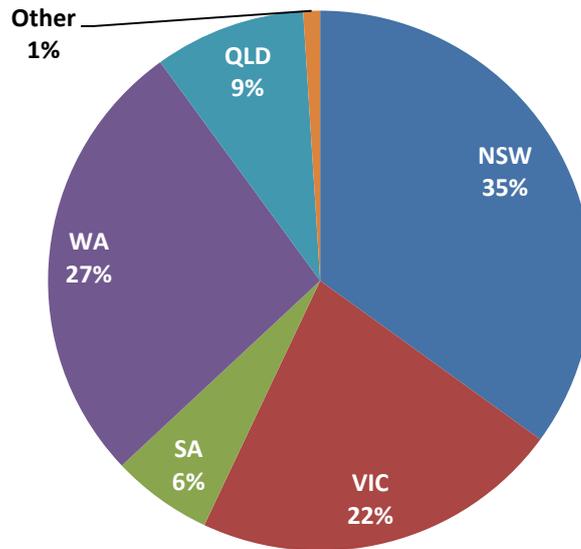


FIGURE 2: TOP 100 CME TURNOVER BY STATE AND TERRITORY

DISTRIBUTION OF THE TOP 100 CMES BY INDUSTRY

Classification of these Top 100 firms by industry is somewhat problematic due to the diversity of the business activities in which some of the larger firms engage, but also due to the nature of how many CME operate. For example, a motor vehicle owners' club, such as the Royal Automobile Club of Western Australia (RAC WA), offers members' roadside assistance as a core business, but also car insurance, general insurance, driver education, motor vehicle repair and travel services. This places it across financial services and personal services industry categories. To simplify the industry classification we have grouped the Top 100 firms (by turnover) into 9 broad categories, which are shown in Table 2, along with the combined turnover for each sector, the median turnover, EBIT and NPAT and the total assets per sector. Figure 3 illustrates each sector's contribution to the combined total turnover.

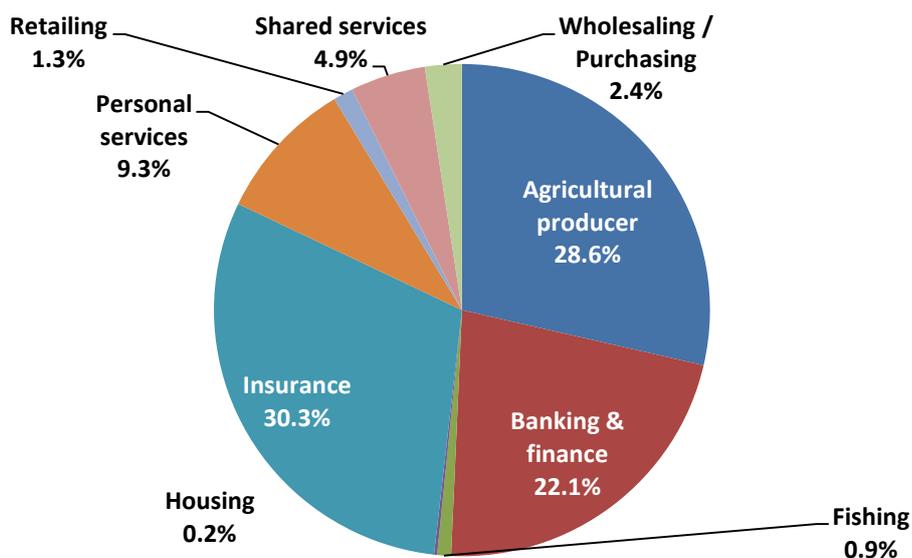


FIGURE 3: TOP 100 CME TURNOVER BY INDUSTRY SECTOR

TABLE 2: TOP 100 AUSTRALIAN CO-OPERATIVE AND MUTUAL ENTERPRISES FY2012/13 BY SECTOR

Sector	N	Combined Turnover	Median Turnover	Median EBIT	Median NPAT	Combined Assets
Agricultural producer	13	7,217.2m	210.0	0.4m	0.8m	4,376,7m
Banking and Finance services	38	5,570.9m	78.5	7.1m	4.6m	84,476,7m
Fishing	2	228.8m	114.4m	1.7m	1.3m	66,7m
Housing	1	41.2m	41.2m	1.8m	1.8m	683,8m
Insurance	25	7,638.8m	106.4m	9.0m	9.0m	10,781,1m
Personal services ³	6	2,336.6m	477.6m	38.8m	36.2m	7,003,3m
Retailing	7	335.9m	28.7m	0.4m	0.3m	168,5m
Shared services	2	1,237.8m	618.9m	9.8m	7.1m	110,5m
Wholesaling/Purchasing	6	601.6m	83.3m	0.6m	0.4m	186,1m
TOTAL	100	25,208.8m				107,853.5m

Notes to Table:

1. EBIT= earnings before interest and tax. NPAT = net profit after tax. All values are reported in Australian \$ million
2. Only the Top 100 Australian CME by turnover for the FY 2012/13 was considered for inclusion in this list. Refer to the Appendix A notes.

OBSERVATION

The definition of CME by industry using Australian and New Zealand Standard Industrial Classification (ANZSIC) codes is problematic due to the nature of these businesses and their ownership. For example, agricultural producers Co-operatives, such as Murray Goulburn in the dairy industry or CBH Group in grains, have their membership located clearly in the agriculture sector. However, these CME are – as businesses – engaged in quite different industry sectors in relation to their operations. CBH is involved in transportation, warehousing and storage services and also has its own rail transport business and shipping operations. In addition it has grain trading and marketing and a joint venture (“Interflour”) food product manufacturing operation with flour mills located in South East Asia. In a similar manner, Murray Goulburn supports its members in the dairy farm sector but, as a business, it engages in the manufacture and wholesaling of a wide range of dairy products both fresh and powdered.

An aim of the ACMI project was to benchmark Australia's CME against investor owned firms (IOF) within the same industry sectors. However, it must be recognised that many large organisations, CME and IOF, have operations across a number of industry sectors. Further, the CMEs also have the unique characteristic of being a strategic network of their members and an independent business that provides services to them.

What is worth noting is that the Top 100 CMEs in FY2012-2013 had a combined annual turnover of just over \$25.4 billion and controlled assets worth around \$108 billion. While modest in terms of some of the largest IOFs in Australia, these figures suggest Australia's leading CMEs play a key role in the national economy and, in addition to their financial or economic contribution, they also play a significant role in the social economy, although sourcing reliable data on this is difficult.

SURVEY OF THE TOP 100 CMEs

As already noted, the development of the ACMI involved not just examining the financial performance of the leading CMEs in Australia, but also a survey of these firms. At time of writing, 57 of the 100 Top CMEs had responded to the online survey. However, complete data was recorded for only 36 organisations. Of these firms, around 39% were operating across more than one state and 14% were engaged in overseas markets, primarily New Zealand and the Pacific Islands, but also China, Japan, Hong Kong and North America. The proportion of revenue generated from exporting ranged from 2% to 84%, with a median of 15%. Table 3 shows these findings.

TABLE 3: DISTRIBUTION BY HEADQUARTER ADDRESS AND BY HAVING STATE OPERATIONS

Headquarter address							
ACT	NSW	NT	QLD	SA	TAS	VIC	WA
-	42%	-	6%	19%	-	11%	22%
State operations							
ACT	NSW	NT	QLD	SA	TAS	VIC	WA
19%	33%	19%	25%	25%	14%	33%	22%

INDUSTRY SECTOR REPRESENTATION

The respondent firms were drawn from a range of industry sectors, with the largest proportion (33%) coming from agriculture, forestry and fishing. Financial and insurance services firms made up a quarter of the sample, and retailing firms a further 17%. Several firms had operations across multiple industry segments, such as agricultural producer Co-operatives that have manufacturing processing, retailing and wholesaling operations. The primary industry segmentation can be seen in Figure 4.

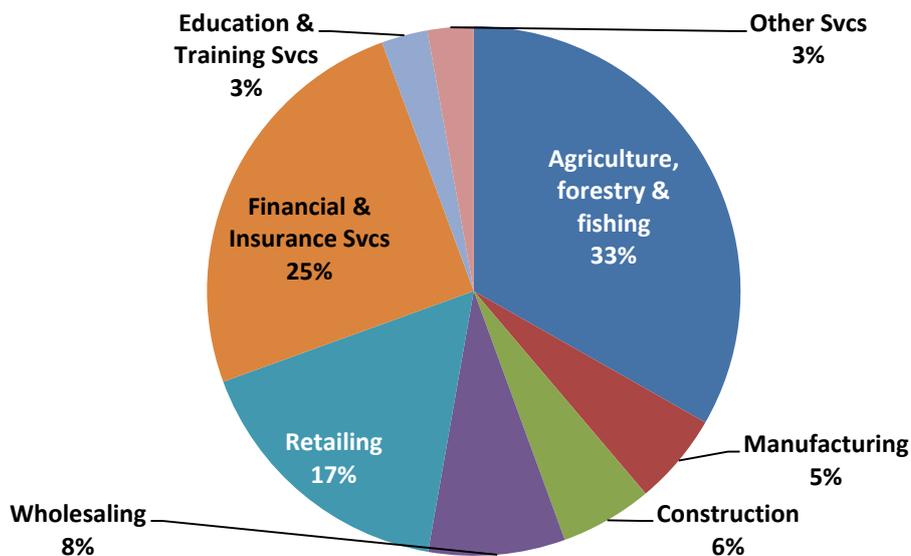


FIGURE 4: CME SURVEY RESPONDENTS BY INDUSTRY SECTOR (N = 36)

GOVERNANCE

When asked about their corporate structure and governance, all respondents reported being “Australian organisations with 5 or more active members and one or more economic or social objectives”, which is consistent with the definition of a co-operative or mutual enterprise (ABS, 2012). A similar proportion (94%) reported that their organisation was based on “sharing, democracy and delegation for the benefit of all their members”, which is consistent with the general philosophy of the international co-operative movement (ICA, 2014). All reported having a “one-member-one-vote” principle in their governance.

In relation to regulation and corporate status, 67% reported being regulated by state or territory registries under the Co-operatives National Law and National Regulation. The majority (61%) also reported being incorporated under the Corporations Act (2001) Commonwealth, but being governed along co-operative principles. A further 31% from the financial services sector reported being regulated by the Australian Prudential Regulation Authority (APRA). It is worth noting that 44% reported being incorporated under the Corporations Act (2001) and regulated by state or territory Co-operatives Acts or the Co-operatives National Law. This may suggest these CMEs hold subsidiaries that are investor owned entities. A smaller group (22%) were only incorporated under the Corporations Act (2001), but governed by co-operative principles. A similar number of firms were regulated by APRA but also registered with the Corporations Act (2001).

An interesting finding was that 22% allowed non-members to hold positions on their Board of Directors. It should also be noted that 67% of the firms that allowed non-member directors onto their boards were not incorporated under the Corporations Act (2001). This may reflect the introduction of the new Co-operative Acts across Australia's states and territories over the past two decades. These allow for non-member or “independent directors” to be appointed to a board to provide specialist skills or a degree of neutrality that might be more difficult to secure with boards comprised only of member directors.

SHARE STRUCTURE

A total of 61% of the responding firms said they were “distributing” organisations, issuing financial dividends or distributions from surplus capital to members. The remaining 39% were “non-distributing” entities. A high proportion (83%) allowed non-members to trade with the enterprise. However, it needs to be clarified whether this relates the same trade category as members or to another trading function of the organisation. For example, a marketing co-operative that trades with customers who purchase member products or a supply co-operative that trades with non-member suppliers. Despite such a high proportion of firms enabling non-members to trade with them, only one firm out of the 36 respondents allowed non-members to hold share capital. That particular business was one that had publicly floated its stock using Co-operative Capital Units (CCU) (see: Mamouni Limnios et al., 2014). In a similar vein this firm also allowed non-member shareholders to vote, but none of the other CMEs did so.

FINANCIAL PERFORMANCE

As outlined in Table 4, the annual turnover for the 36 CMEs that responded to the survey ranged from a low of \$1.26 million in FY2012-13 to a high of \$2.82 billion with a median of \$28.7 million. This compares with a median gross annual turnover of \$63 million for the total Top 100 CME. It is worth noting that the median annual turnover for the sample had declined slightly over the FY2011-2012 to FY2012-2013 period by around \$418,000. This compares to the overall Top 100 CME, where median annual turnover had risen following a decline in the FY2010-2011 to FY2011-2012 period.

TABLE 4: FINANCIAL PERFORMANCE OF CME SURVEY RESPONDENTS (N = 36)

	FY2012-2013			FY2011-2012		
	Minimum	Maximum	Median	Minimum	Maximum	Median
Gross Annual Revenue	\$1.26 m	\$2.82 bn	\$28.7 m	\$1.3 m	\$2.27 bn	\$29.1 m
EBITDA ¹	\$6,287	\$21.6 m	\$673,892	-\$4.2 m	\$17.3 m	\$344,408
NPAT ²	-\$122,431	\$132 m	\$388,830	-\$5.73 m	\$162.5 m	\$306,791
Total Assets	\$1.1 m	\$3.79 bn	\$13.4 m	\$1.1 m	\$3.6 bn	\$11.6 m

¹ EBITDA (earnings before interest, tax & depreciation); ² NPAT (net profit after tax)

As also shown in Table 4, earnings before interest, tax and depreciation (EBITDA) for FY2012-13 ranged from a low of only \$6,287 to a high of around \$21.6 million. The median EBITDA of \$673,892 compares with the overall Top 100 CME at \$4.1 million. **However, we caution that figures for EBITDA were less reliable than for the other financials, as only 17 firms were able or willing to provide this data.**

Net Profit after Tax (NPAT) for FY2012-2013 figures ranged from a negative \$122,431 to a maximum of over \$132 million, with a median NPAT of \$388,830. This compares to a median NPAT of around \$2.8 million for the entire Top 100 CME. Finally, the total assets for the sample firms for FY2012-2013 ranged from a low of \$1.1 million to a high of \$3.79 billion. The median assets held by this sample group of companies were \$13.4 million, which can be compared to the Top 100 CME median of \$142.4 million.

MEMBERSHIP AND EMPLOYMENT

The number of members reported ranged from 5 to around 2.4 million, with a total of 4.57 million members across all 36 CME for FY2012-2013, an increase from 4.46 million members in FY2011-2012 of about 112,774 people. The median membership for the respondent firms was 596. Of these members, 92% were members of motor vehicle owners' associations and retail co-operatives, with financial and insurance services CMEs also comprising a large proportion of the members. As shown in Table 5 the proportion of CME that predominately had businesses as members (e.g. primary producer co-operatives) was about half the sample.

TABLE 5: MEMBERSHIP AND EMPLOYEES (N = 36)

	FY2012-13			FY2011-12		
	Minimum	Maximum	Median	Minimum	Maximum	Median
Full Time Employees	1	1,127	39	0	1,006	31.5
Part Time Employees	0	1,169	23	0	1,202	16.5
Total Members	5	2,395,000	596	2	2,382,000	598
% Members as individuals ¹	5%	100%	95%	5%	100%	95%
% Members as businesses ²	1%	100%	49.5%	1%	100%	47%

¹ Members as individuals are those who join financial or retailing CME as individual householders. ² Members as businesses are those that are suppliers or buyers in a business such as farmers or small businesses.

In terms of employees, the number of full time employees ranged from 1 to 1,127 with the median being 39 in FY2012-2013 and 31.5 in FY2011-2012. Part time employment ranged from nil to 1,169, with a median of 23 in FY2012-2013 and 16.5 in FY2011-2012. Overall, the total number of full time employees for these CMEs in FY2012-2013 was 3,971 while that of part-time employees was 2,234 suggesting this group of 36 firms employed around 6,205 people, while servicing 4.6 million members across Australia.

PERCEPTIONS OF THE ORGANISATIONAL TASK ENVIRONMENT

Within the ACMI survey, seven items examined managers' perceptions of their firms' organisational task environment. The items were used to explore how managers viewed the level of membership growth and community support, the impact of government regulation, level of market competition and any impact from changes to the natural environment. For each item the respondent was asked to indicate whether or not they agreed or disagreed with the statement using a 5-point rating scale where 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree.

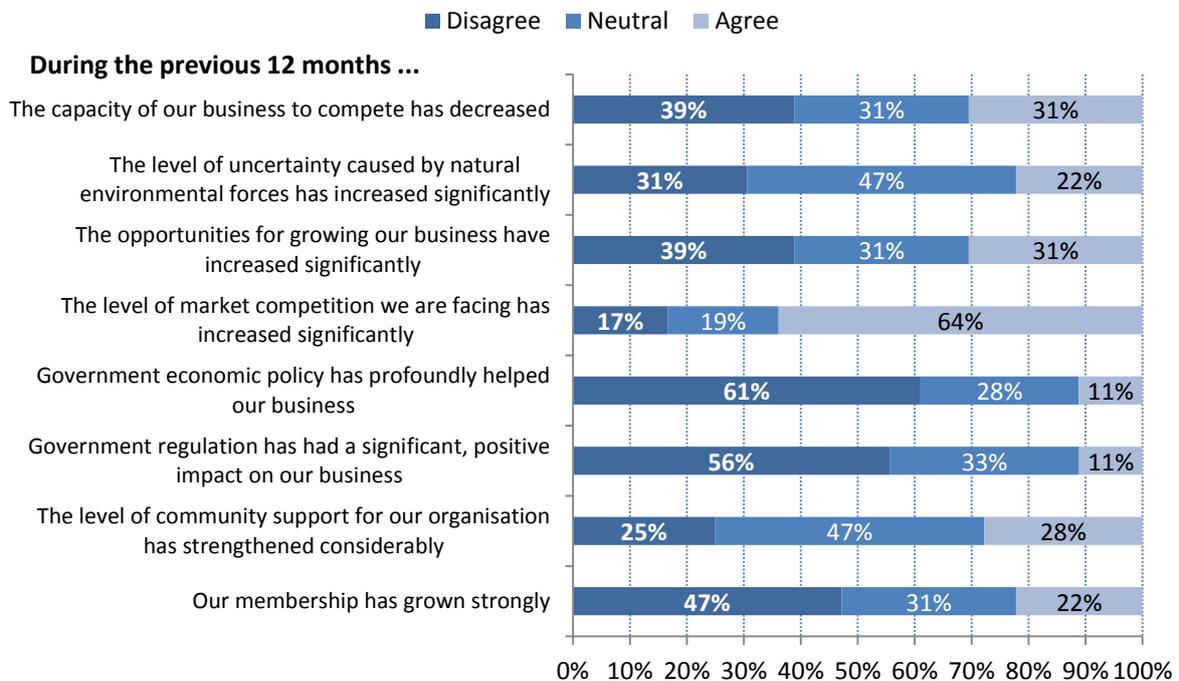


FIGURE 5: PERCEPTIONS OF ORGANISATIONAL TASK ENVIRONMENT (N = 36)

Figure 5 suggests there was a fairly even division to the item asking whether the capacity of their business to compete had decreased over the previous 12 months, with 39% disagreeing with this view and 31% agreeing that business competitiveness had decreased. There was also a high degree of equivocation about whether they felt the level of uncertainty caused by the natural environment had increased significantly, with 47% neither agreeing nor disagreeing. Similarly, respondents were evenly divided as to whether opportunities for growing their business had increased significantly in the previous 12 months, with 31% agreeing and 39% disagreeing with this statement. It should be noted, however, that only 8% strongly agreed with this view and 14% strongly disagreed. Related to this item was the question as to whether market competition had increased significantly in the previous 12 months. Here 64% reported that they felt it had. A total of 42% agreed to this and 22% strongly agreed.

There was also a strong negative view about government policy and regulation being helpful to the business. As shown in Figure 5, 61% of respondents disagreed with the view that government economic policy had profoundly helped their business, with 28% in strong disagreement. Just over half (56%) also disagreed with the view that government legislation had significant, positive impacts on their business. Indeed, 33% were in strong disagreement with this view.

A further two questions asked if there had been growth in the level of community support for these businesses in the previous twelve months and also a strong growth in membership. As can be seen in Figure 5, around half (47%) of the respondents did not seem to have a definitive answer for the first issue, suggesting they did not know whether community support had strengthened significantly. Of the rest, 28% felt it had not strengthened, while 25% felt that it had. Of some interest was the final question about growth in membership. Just under half (47%) indicated that membership had not grown strongly, with 28% strongly disagreeing that it had and only 6% strongly agreeing that membership growth was strong.

MEMBER VALUE AND SOCIAL CAPITAL

A further set of questions within the ACMI survey focused on perceptions about member value and social capital creation. The results for these items are shown in Figure 6. It can be seen that most (75%) believed their organisation's marketing strategy focused on the promotion of co-operative or mutual ownership as a positive attribute. Of these 33% were in strong agreement. There was less agreement as to whether these firms worked closely with their communities to deliver social benefits, as 47% agreed (22% strongly agreed), while 19% disagreed. Nevertheless, 67% agreed they could point to several good examples of how their business delivered benefits to the community. Of these 28% strongly agreed with this view.

Respondents were also asked whether they felt they, their members and the wider community had a clear understanding of the member value proposition (MVP) that the business offered. As shown in Figure 6, the majority (81%) of respondents agreed they had a clear understanding of the MVP they offered to their members, with 39% in strong agreement. The majority (61%) also felt their members had a clear understanding of this MVP, with 17% in strong agreement with this view. However, there was a much more equivocal response to whether the broader community had a clear understanding of this MVP. A significant proportion (44%) was unsure, while 25% did not feel that the community understood their MVP and 30% felt they did.

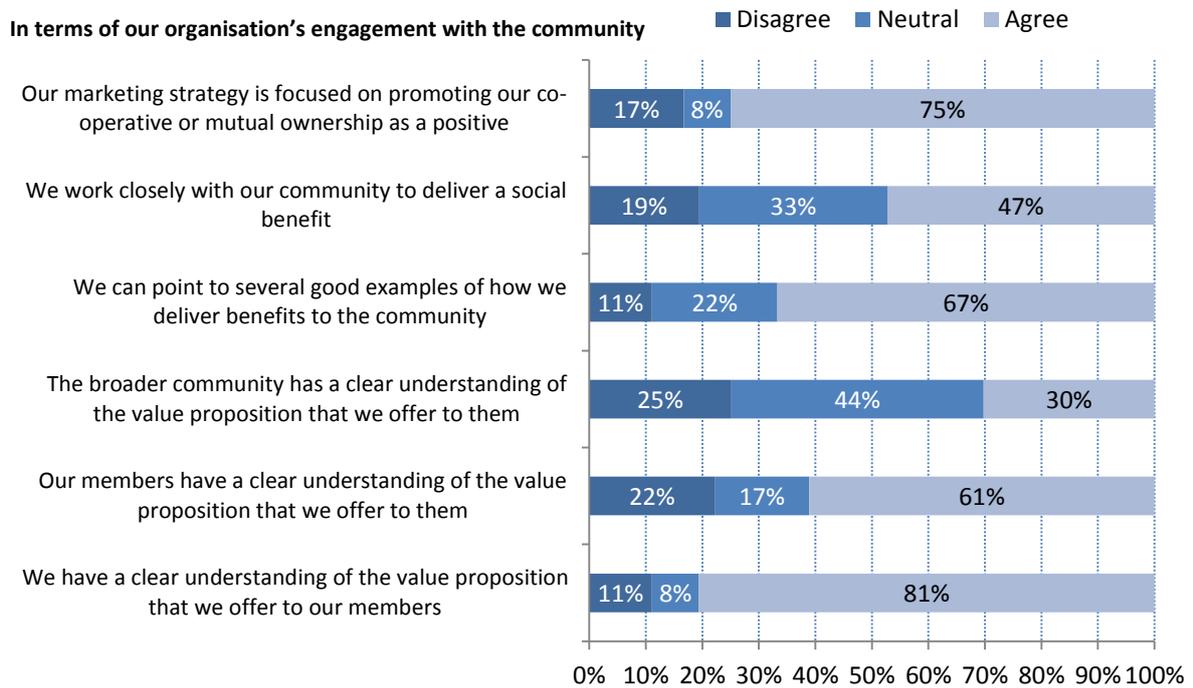


FIGURE 6: MEMBER VALUE PROPOSITION (MVP) AND SOCIAL CAPITAL BUILDING

OBSERVATION

The overall picture that emerges from this small survey of a cross-section of Australia's leading CME is that they can be found across the country in a wide-range of industries. Regardless of their industry or how they are incorporated, these firms operate with a democratic governance model that adheres to the principles espoused by the International Co-operatives Alliance (ICA) and that are enshrined in the state and national Co-operatives Acts.

Their contribution to the national economy in both financial terms and employment is substantial. As noted above, their combined annual turnover for FY2012-13 was \$6.14 billion and their combined assets were worth around \$14.5 billion. In addition their combined full and part-time employment for this same period was around 6,205 people with a membership base of some 4.6 million.

These firms are generally small in size, with a median employment of about 39 full-time workers. Furthermore, for those that are engaged in supporting businesses as members, the majority of these members are also small to medium enterprises (SMEs).

As the previous two sub-sections have indicated many of these firms feel that the level of competition that are facing has increased or at least not improved. They also were generally negative towards the level of government economic and regulatory policy within their industry sectors.

Despite these concerns the picture that emerges from this survey is one of a CME sector that has a strong sense of its purpose and how it can deliver value to its members. It has generally performed well in what appear to be competitive market environments. A good proportion of firms surveyed export and operate across borders. They also make a strong contribution to the economic and social capital of Australia.

INDUSTRY COMPARISONS

Although the CME sector is not always particularly visible, many of the largest of these firms are major players in their industries. From the information collected to date, the pattern that emerges suggests Australia's leading CMEs can be found in almost all industry sectors and include some of the largest firms in each sector. Below we provide a brief overview of the competitive position of the Top 5 CMEs in Australia.

CO-OPERATIVE BULK HANDLING LIMITED (CBH)

Established in 1933, Co-operative Bulk Handling Limited is Australia's largest co-operative business with a turnover of \$2.8 billion. CBH is one of Australia's major exporters and remains the only large Australian grain business still owned and controlled by growers. It was established through WA growers' mobilisation and social cooperation in order to address rising costs of grain storage and handling that were impacting on the competitiveness of their product. CBH expanded rapidly, became an innovator in engineering and the development of sealed storage technology and in 2002 merged with Grain Pool WA, expanding in grain marketing. Today the CBH Group has operations that extend along the supply chain from grain storage, handling and transport, to marketing, shipping and processing.

SUMMARY OF CO-OPERATIVE BULK HANDLING

- 4,200 Grain Grower Enterprises
- 30 Global Markets
- 1,000 Permanent Employees
- Up to 2,000 Casual Employees
- 195 Receiving Locations
- 10 Regional Offices, including in Eastern Australia, Hong Kong, Japan, and the United States
- 80 years in operation

Source: CBH (2013)

In 2013-2014 CBH Ltd held around 28% market share of the Australian cereal grain wholesaling industry (Figure 7), competing at a national level with Glencore Grain Pty Ltd (industry brand name Viterra) (27%), GrainCorp Ltd (24%) and Cargill Australia Ltd (7%) (Witham, 2013). None of these competitors is a co-operative business and both Glencore and Cargill are foreign owned subsidiaries. The remaining grain wholesalers are much smaller, non-employing businesses (Witham, 2013).

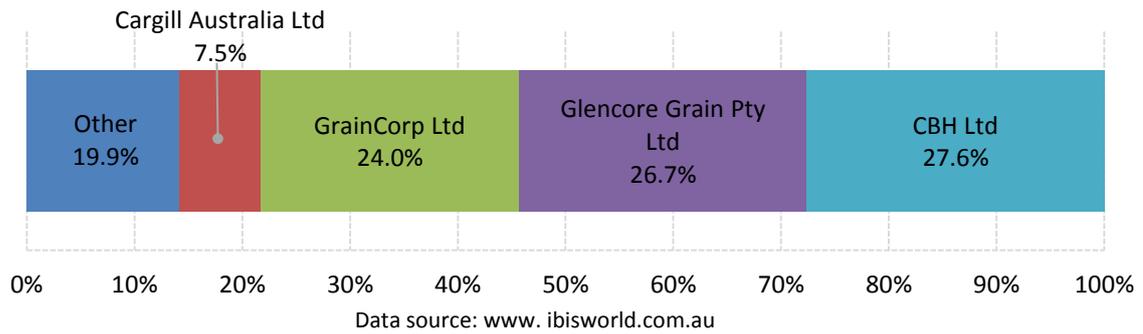


FIGURE 7: CEREAL GRAIN WHOLESALING MARKET SHARE

MURRAY GOULBURN CO-OPERATIVE CO. LIMITED (MG)

Murray Goulburn Co-operative Co. Limited is Australia's largest dairy company and is 100 percent controlled by its dairy farmer suppliers. Although registered under the Corporations Act 2001, it operates as a co-operative, and is recognised as such for tax purposes in Australia. With a turnover of \$2.4 billion, MG is Australia's second largest co-operative business. In the last decade MG experienced several difficult seasons due to drought or floods, in addition to the impact of the 2008-2009 global financial crisis that led to an international collapse of dairy product prices. Despite a difficult global market for milk throughout most 2012-13, MG has been on its way to growth since 2010. MG is an aggressive exporter, with 48% of sales revenue originating from international sales (Murray Goulburn, 2013). In 2012-2013 Murray Goulburn exported 336,000 tonnes of product (Murray Goulburn, 2013)

MG's strategy has seen it shift from a commodity export based business to an active player in the fast moving consumer goods market within Australia, reporting a 33% increase in value add ingredient sales volume and a 26% increase in nutritionals sales volume in 2013 alone. MG reports 21 controlled entities under the head entity, all but three being wholly owned. These are smaller in size, with most being proprietary companies, and include a factory in China, and associated companies, primarily dairy product retailers and exporters (Murray Goulburn, 2013). The MG portfolio of dairy foods includes high quality dairy ingredients, such as speciality milk fats and bioactives, retail brands, including Devondale and Ascend, and food service products for cafes, restaurants and more.

In the area of milk and cream processing MG controls around 12.3% of the national market share, competing with Lion Pty Ltd (32.1%), Parmalat Australia Ltd (14.7%) and Fonterra Co-operative Group Ltd (13.5%). All three competitors are subsidiaries of overseas companies and even though Fonterra is a co-operative business in New Zealand it does not operate as such in Australia (Lin, 2013a). In other areas of the dairy industry MG is also prominent. For example, in 2013 it controlled 34.7% of the cheese manufacturing industry in Australia (Lin, 2013b), 23% of the butter and dairy product manufacturing (Lin, 2013c), and 16.1% of the milk powder manufacturing segment (Lin, 2013d).

HOSPITAL CONTRIBUTION FUND (HCF)

SUMMARY OF HOSPITAL CONTRIBUTION FUND (HCF)

- 1.52 million members (lives covered)
- Australia's largest not-for-profit health insurer
- 1,006 employees
- Member services range from health insurance to retirement and aged care

Source: HCF (2013)

HCF was established in 1932 to provide the community with a way to insure against the cost of hospital care. It has grown to become one of the Australia's largest combined private health insurance and life insurance organisations. It is the third largest business in the Australian CME sector, with a combined turnover of \$2.18 billion. HCF is a public company limited by guarantee that operates on a not-for-profit basis and is registered under the Private Health Insurance Act 2007. It has five operating divisions (HCF Health Insurance; Life Insurance; Health Care; Retirement and Aged Care Services; and Corporate Services). HCF is committed to doing more for its 1.52 million members. To service their growing national membership, they maintain a network of branch offices in New South Wales, the Australian Capital Territory, Queensland, Victoria and South Australia, with national coverage provided by call centres and an online facility (HCF 2013).

Within the field of health insurance, HCF Australia Ltd is one Australia's largest health insurers and held 11% of the national market in 2014 (Figure 8) competing with Medibank Private (29%), BUPA Asia Pacific Pty Ltd (27%), NIB Holdings Ltd (7%) and HBF Health Limited (6%). Of these competitors, BUPA is a UK based business that acquired HBA, Mutual Community, DCA Aged care group and then MBF to become the second largest health insurance firm in Australia (Ivanov, 2014b). NIB is a publicly listed investor owned firm. HBF is the only other health insurer mutually owned by its members.

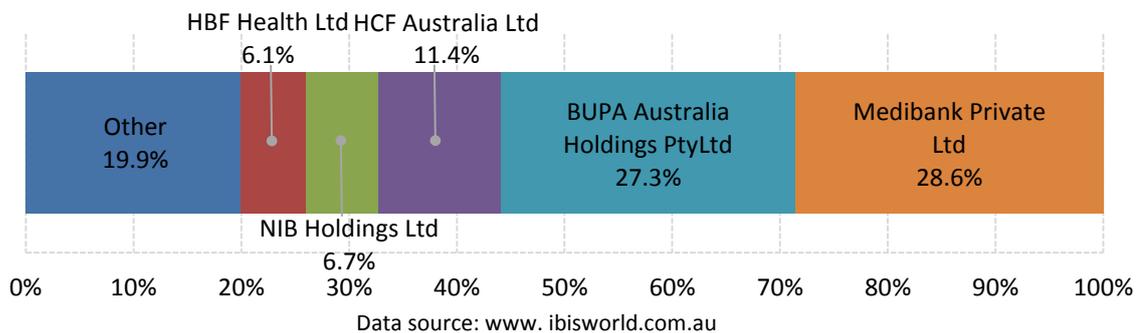


FIGURE 8: HEALTH INSURANCE MARKET SHARE

HBF HEALTH LIMITED (HBF)

SUMMARY OF HBF HEALTH LTD

- For the second consecutive year paid record member benefits totalling over \$1 billion
- HBF members experienced the lowest premium increase of any major fund.
- Complaints by HBF members accounted for just 3.3% of the national total compared with their market share of 7.6% (2013).
- Almost 30,000 people took part in the 2013 HBF Run for a Reason, raising \$1.3 million for charity.
- HBF Corporate Wellness activities were delivered to more than 150 organisations, impacting the lives of over 50,000 employees.
- Record numbers entered the ballot to take part in the 2013 HBF Rottneest Channel Swim.
- Became the inaugural sponsor of the HBF Junior Sports Hero awards managed by Community Newspapers.

Source: HBF (2013)

HBF is a trusted health insurer in WA, with a 72 year history. HBF has 55% of the State's market share, followed by Medibank Private (21%) and BUPA (9%). In 2012, HBF set a goal to become a valued health partner for their members, moving beyond their health insurance services. They have invested in expanding their wellness programs and have acquired the franchise for Friendlies Chemists with a goal to double the number of pharmacies and deliver health related services to HBF members (HBF, 2013). HBF is a valued health partner of the WA community, investing and contributing significantly to improving the physical activity of Western Australians through a range of programs and activities they sponsor.

CAPRICORN SOCIETY LTD (CAPRICORN)

Capricorn Society is headquartered in Western Australia, and is the largest independent automotive parts buying group in the Southern Hemisphere (IBISWorld, 2014c). It has over 15,000 members and facilitated member transactions of \$1.21 billion in 2013. It operates primarily in the Automotive Maintenance & Repair, Smash Repair and Auto Electrical segments. In 2013 Capricorn entered a consolidation strategy, which improved their business model. As they entered their 40th year of operation in 2014 they completed a significant information systems upgrade and are expanding members' benefits and services. They operate the Capricorn Mutual Limited and have launched Capricorn Risk Services (Capricorn, 2014).

AUSTRALIAN UNITY (AU)

Australian Unity is an Australian integrated financial services group that derives the bulk of its revenue from the provision of products and services to assist members with their savings, financial security, healthcare and retirement living needs. AU employs approximately 1300 people and is administered from its head office in Melbourne (IBISWorld, 2014b). AU is recognised by the Australian Prudential Regulation Authority (APRA), as a "non-operating holding company". Recent government policy changes have impacted on customer service delivery and have been disruptive and costly to implement. AU is engaging with the government in the development of solutions to pressing challenges—particularly in retirement savings, health and ageing. The Group reported a 10% increase in turnover to \$1.15 billion in 2013 and a 31.7% increase in profit after tax. In 2012 Big Sky Credit Union joined Australian Unity to form Big Sky Building Society (Australian Unity, 2013).

PRIVATELY OWNED HEALTH INSURANCE FUNDS, CREDIT UNIONS AND SUPERANNUATION FUNDS

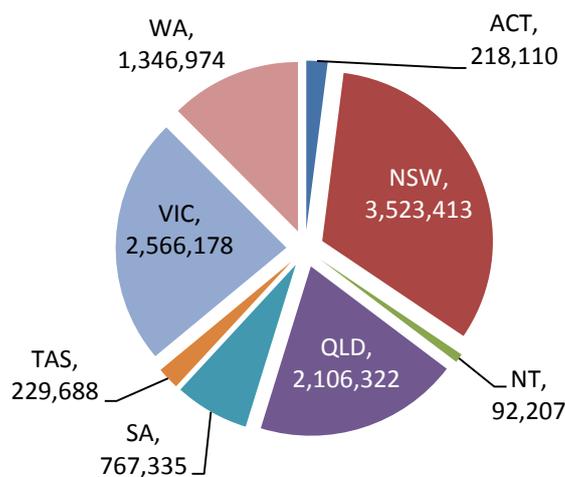
These mutual businesses (with some exceptions of businesses owned by an IOF or listed in the ASX, thus losing their mutuality), are well documented sectors of the Australian economy. The following key facts and statistics for each one of these sectors were sourced from IBISWorld (Ivanov, 2014a; 2014b; 2014c), and the Private Health Insurance Administration Council (2014).

PRIVATELY OWNED HEALTH INSURERS

KEY STATISTICS ON PRIVATELY OWNED HEALTH INSURANCE, CREDIT UNIONS & SUPERANNUATION FUNDS

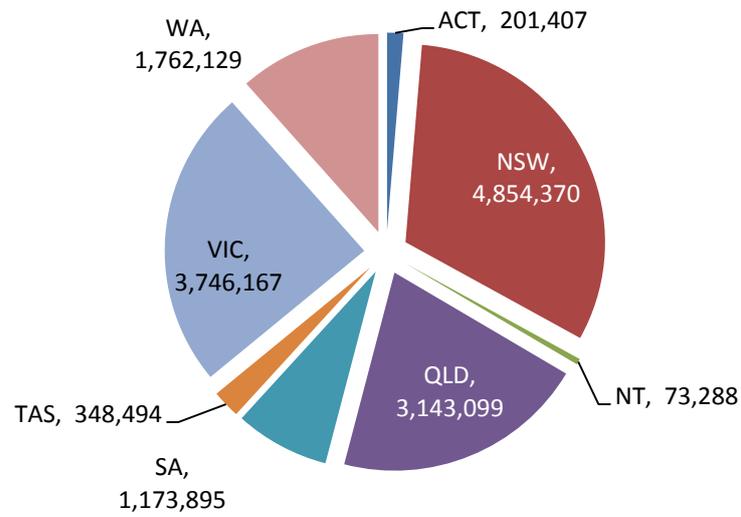
- Revenue: \$20.6bn
- Profit: \$1.4bn
- Annual Growth 10-15: 4.9%
- Wages: \$970.7m
- Annual Growth 14-19: 4.2%
- Businesses: 34
-

Private Health Insurance membership has been rising steadily since 2006, currently providing coverage to 55% of the population (PHIAC, 2014; Ivanov, 2014b). Increases in the Medical Levy Surcharge (1%) have had a significant impact on the Health Insurance industry, with a decline in younger members. Although this has been offset by an increase in older members, the loss of younger, low-claiming members resulted in a deteriorating underwriting performance, as benefit growth initially outpaced premiums. An increase in premiums of 5% or more from 2009 to 2012 was approved by the government. However members' aging demographic is weighing on industry profitability. Figure 9 and 10 provides a breakdown of the number of people covered by State and the benefit paid in FY 2012-2013 by State. Figure 11 provides a breakdown of members by age.



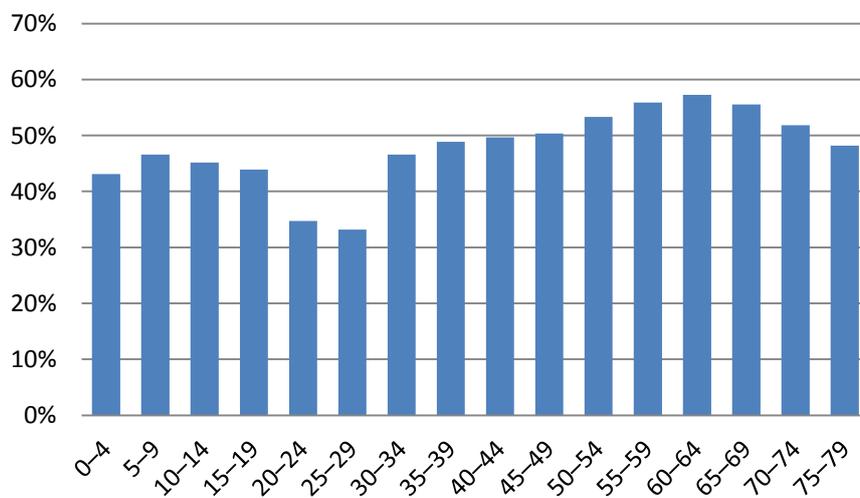
(DATA SOURCE: PRIVATE HEALTH INSURANCE ADMINISTRATION COUNCIL 2014)

FIGURE 9: PEOPLE COVERED BY STATE



(Data source: Private Health Insurance Administration Council 2014)

FIGURE 10: BENEFITS PAID BY STATE IN FY 2012/13



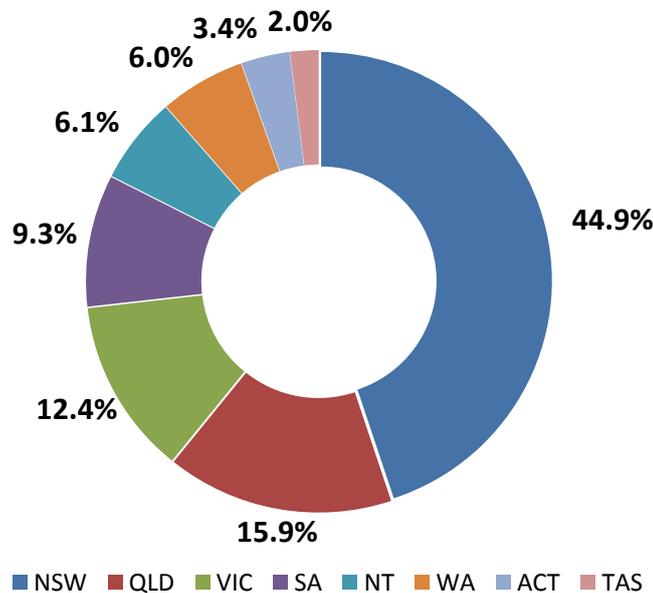
(Data source: Private Health Insurance Administration Council 2014)

FIGURE 11: PEOPLE COVERED BY AGE

CREDIT UNIONS: KEY INDUSTRY STATISTICS

- Revenue: \$2.9 billion; Profit: \$303 million; Annual Growth 10-14: -7.1%
- Wages: \$547.0m; Annual Growth 14-19: 1.7%
- Businesses: 83

This industry includes financial institutions known as credit unions or cooperatives, which are owned by their members and provide them with banking services, mainly deposit taking and lending. Nearly half of all credit unions are established in NSW (45%). Figure 12 illustrates the distribution of Credit Unions by State and Territory. Like the rest of the Australian finance sector, credit unions have been impacted negatively by the global financial crisis and a slowing economy. The Reserve Bank of Australia's interest rate drops have led to a reduction of credit union revenue from lending portfolios. An even greater impact on sector size has had the exit of a number of players, resulting in a decline in the size of the sector by an annualised 7.1% over the five years through to 2013-2014. Despite the expected exit of two more players, IBISWorld is forecasting an annualised growth of 1.7% over the next five years. The sector needs to invest in its branding, to establish a strong and distinctive positioning against banks and other deposit taking financiers in Australia.



(Data source: www.ibisworld.com.au)

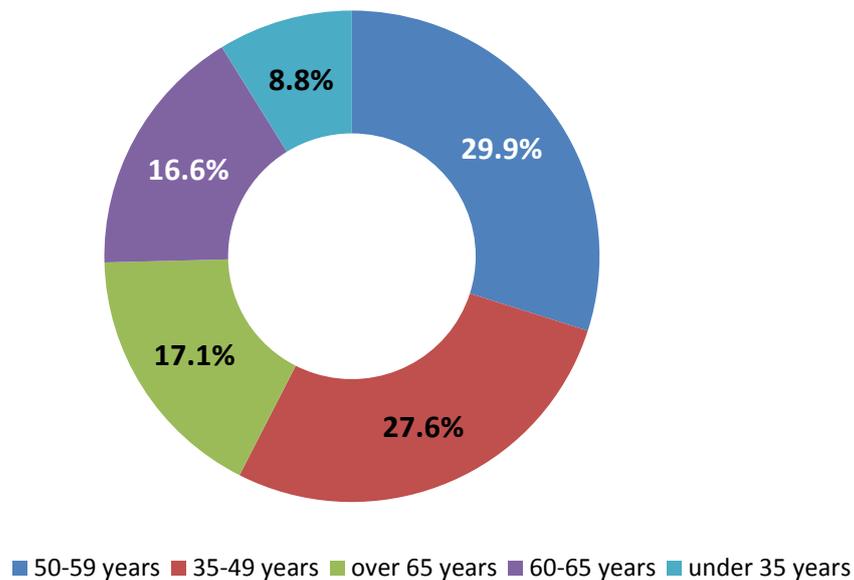
FIGURE 12: DISTRIBUTION OF BUSINESSES BY STATE AND TERRITORY

The two major players in this sector are Credit Union Australia Ltd (CUA) with 20% and Australian Central Credit Union Ltd with 14%. The latter credit union merged with Savings & Loans Credit Union in 2009 and trade under the name People's Choice Credit Union. However, the parent company name remains Australian Central Credit Union. (Ivanov, 2014a)

SUPERANNUATION FUNDS: KEY INDUSTRY STATISTICS

- Revenue: \$344.7 billion; Profit: \$1.7 billion; Total Assets: \$1.8 trillion
- Wages: \$655.1 million; Employment: 9,831
- Businesses: 305

The Australian Government's Superannuation Guarantee requires employers to contribute funds equal to 9.25% of an employee's income to the employee's choice of super fund. This has resulted in the growth of the Australian Superannuation Funds Industry, to become the fourth largest private pension fund market in the world, with assets of almost \$1.6 trillion in June 2013 (Ivanov, 2004c). While the value of superannuation savings is rising, regulatory changes have caused a reduction in the number of major super funds over the past five years (at an annualised rate of 8%) to achieve cost efficiencies and lower fee structures. However, the number of self-managed super funds has grown (at an annualised rate of 6.2%), to hold 31.4% of all superannuation assets in June 2013, as more people wish to take control over their retirement savings. The industry is characterised by low concentration, as the four largest superannuation funds account for less than 15% of industry assets. The top 100 superannuation funds account for 55.8% of industry assets (Ivanov, 2014c). Figure 13 provides the distribution of superannuation funds beneficiaries by age bracket.



(Data source: www.ibisworld.com.au)

FIGURE 13: DISTRIBUTION OF SUPERANNUATION FUND BENEFICIARIES BY AGE

CONCLUSION

The financial data gathered for the ACMI and displayed in this paper illustrate not only the size and diversity of the Australian co-operative and mutual enterprise sector, but also the growth and decline of firms within the sector. The purpose of the ACMI is to map these trends over time and to examine the relative performance and health of the sector using national and international comparisons. Each CME operates within its industry

sector and must face the competitive pressures and government regulatory regimes that apply there. It can be seen from the survey data reported here that as many respondents perceived the capacity of their business to compete has decreased as those who felt it had increased. Only 31% expressed confidence there were opportunities for their business to grow and 47% reported membership had not grown strongly. Strong membership growth within the sector is important if the number of co-operatives is to remain viable (Birchall and Simmons, 2004).

It is encouraging to see that a high proportion of firms that responded to the survey felt they and their members had a clear understanding of the member value proposition (MVP) the business offered. Further, it was good to see a high proportion of firms also felt their marketing strategy was focused on promoting the nature of co-operative and mutual enterprise as a positive. The need to market the co-operative advantage has been noted in the academic literature for some time (Webb, 1996). However, the ability to clearly articulate this message and use it to engage the community and recruit and retain members is not always undertaken by CMEs. This may be reflected in the responses to the survey item asking whether the community had a clear understanding of the MVP offered. Only 30% were confident that this was the case and 25% were of the view that this was not the case.

In terms of the Top 100 CME financial performance it can be seen that the economic contribution that these firms make to the Australian economy is substantial. The combined annual turnover of more than \$25.4 billion and combined assets of about \$107.8 billion are substantial. If the Top 10 Australian member-owned Superannuation funds are added to this pool the total combined turnover for FY2012-1013 is \$105.25 billion and the total combined assets held by these firms is around \$391.1 billion. Further, although we currently lack reliable figures for membership and employment across the sector, the data from the 36 CME that completed the survey suggests that their impact here is also substantial. This small cross-section of the leading Australian CMEs shows that they service the needs of around 4.6 million people and small businesses while providing employment for some 6,205 people.

The information presented here remains a work in progress and has limitations due to gaps in the data. It is largely descriptive in nature and represents little more than a preliminary overview of the findings. Future research will need to build on the initial work undertaken in building this ACMI. It will not only need to capture more data from a wider range of CMEs, but examine available data to look for trends and make comparisons with other co-operative and mutual enterprises, as well as with investor owned firms and competitor businesses. Although the ACMI remains a work in progress the data collected so far highlights the importance of gathering in-depth financial and non-financial information on the Australian CME sector, as CMEs make an important economic and social contribution to the Australian economy, even though the nature of this contribution can be difficult to determine due to the paucity of available data.

APPENDIX A: TOP 100 CME BY ANNUAL TURNOVER FOR FY2012-13

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
1	Co-operative Bulk Handling Ltd	WA	2,815,739,000	137,723,000	131,707,000	1,988,752,000
2	Murray Goulburn Co-operative Co Ltd	VIC	2,389,435,000	39,053,000	34,904,000	1,659,054,000
3	The Hospitals Contribution Fund of Australia Ltd	NSW	2,134,196,000	99,939,000	99,939,000	1,408,140,000
4	HBF Health Ltd	WA	1,268,960,000	166,493,000	166,493,000	1,239,276,000
5	Capricorn Society Ltd	WA	1,212,581,000	19,319,000	13,939,000	216,311,000
6	Australian Unity	VIC	1,146,136,000	62,923,000	29,410,000	3,823,538,000
7	Credit Union Australia	QLD	693,103,000	78,635,000	57,485,000	9,958,103,000
8	Namoi Cotton Co-operative Ltd	NSW	580,042,000	-3,363,000	508,000	293,523,000
9	RAC WA	WA	560,254,000	32,497,000	35,173,000	1,518,627,000
10	RACQ	QLD	532,827,000	46,297,000	38,446,000	2,242,016,000
11	Heritage Bank Ltd	QLD	493,712,000	52,964,000	37,052,000	8,507,047,000
12	National Roads & Motorists' Association Ltd	NSW	478,886,000	45,140,000	37,211,000	1,131,318,000
13	RACV	VIC	476,410,000	95,500,000	91,300,000	1,657,600,000
14	Newcastle Permanent	NSW	456,057,000	56,155,000	39,073,000	8,296,357,000
15	People's Choice Credit Union	SA	423,923,000	34,526,000	37,897,000	5,816,145,000
16	Teachers Federation Health Ltd	NSW	409,392,000	11,838,090	11,838,090	314,450,000
17	Avant Mutual Group Ltd	NSW	408,456,000	159,380,000	115,673,000	1,775,784,000
18	Norco Co-operative Ltd	NSW	369,891,000	350,000	350,000	156,986,000
19	Dairy Farmers Milk Co-operative Ltd	NSW	327,016,000	901,000	848,000	23,737,000
20	Defence Health Ltd	VIC	322,085,000	24,161,000	24,161,000	297,648,000
21	GMHBA Ltd	VIC	321,953,000	17,928,000	17,928,000	224,737,000
22	Greater Building Society	NSW	315,938,000	39,631,000	28,410,000	4,957,548,000
23	CUSCAL	NSW	313,000,000	11,800,000	8,700,000	3,183,400,000
24	IMB Limited	NSW	291,323,000	40,778,000	28,510,000	4,893,958,000
25	CBHS Health Fund Ltd	NSW	282,403,000	14,371,245	14,371,245	198,146,789
26	Royal Automobile Association of South Australia	SA	257,064,000	18,336,000	15,291,000	383,491,000
27	Teachers Mutual Bank Ltd	NSW	253,905,000	39,650,000	28,098,000	4,088,612,000
28	Community CPS Australia (Beyond Bank)	SA	245,208,000	32,254,000	23,184,000	3,790,755,000
29	Independent Liquor Group Distribution Co-operative Ltd	NSW	230,753,198	192,036	120,759	60,265,048
30	Australian Scholarships Groups	VIC	217,716,000	21,040,000	2,107,000	1,687,790,000
31	Geraldton Fishermen's Co-operative Ltd	WA	213,586,271	3,559,311	2,640,928	65,170,495
32	Western Australian Meat Marketing Co-operative Ltd	WA	211,946,000	8,244,000	7,848,000	69,991,000
33	Northern Co-operative Meat Company Ltd	NSW	210,000,000	n/a	n/a	94,900,000
34	Police & Nurses Credit Society Ltd	WA	188,470,000	15,708,000	13,103,000	2,845,281,000
35	Bankmecu	VIC	170,263,000	34,793,000	25,397,000	3,041,256,000
36	Independent Liquor Group Suppliers Co-operative Ltd	NSW	164,050,724	1,039,422	1,411,535	72,191,119
37	QANTAS Credit Union	NSW	156,597,000	21,695,000	15,266,000	2,791,347,000

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
38	Westfund Health Ltd	NSW	135,344,000	10,005,453	9,876,009	142,420,000
39	Latrobe Health Services Ltd	VIC	129,983,000	7,028,000	7,028,000	159,590,000
40	Health Partners Ltd	SA	127,194,000	12,965,947	12,965,947	109,839,924
41	Plumbers Supplies Co-operative Ltd	NSW	123,000,000	n/a	n/a	n/a
42	Queensland Teachers Union Health Fund	QLD	113,120,000	7,609,632	7,609,632	105,384,275
43	The University Co-operative Bookshop Ltd	NSW	109,556,641	-2,567,766	-4,240,515	61,994,030
44	Victoria Teachers Mutual Bank	VIC	108,300,000	10,276,000	6,139,000	1,774,475,000
45	Healthguard Health Benefits Fund Ltd	WA	106,371,000	11,718,000	11,718,000	120,309,000
46	Lysaght Peopelcare Ltd	NSW	102,225,000	6,775,000	6,775,000	69,655,426
47	Health Insurance Fund of Australia Ltd	WA	99,494,000	9,490,756	9,490,756	96,012,545
48	CUA Health Ltd	QLD	93,979,000	6,760,000	6,760,000	64,660,000
49	Queensland Country Credit	QLD	92,389,000	7,711,000	5,436,000	1,203,764,000
50	Police Bank Ltd	NSW	92,359,982	14,269,978	10,071,129	1,327,418,791
51	Defence Bank	VIC	92,117,000	14,275,000	10,021,000	1,443,120,000
52	Railway and Transport Health Fund Ltd	NSW	91,197,000	7,541,000	7,541,000	64,891,000
53	Bananacoast Community Credit Union	NSW	88,634,000	6,275,000	4,472,000	1,340,086,000
54	Police Health Ltd	SA	85,730,000	8,983,000	8,983,000	53,217,000
55	QTMB	QLD	83,761,000	9,463,000	6,887,000	1,267,545,000
56	NSW Sugar Milling Co-operative	NSW	83,000,000	n/a	n/a	n/a
57	St. Lukes Medical & Hospital Benefits Association Ltd	TAS	80,083,000	7,498,000	7,498,000	92,214,000
58	BankVic	VIC	73,297,000	14,650,000	10,351,000	1,183,445,000
59	Hastings Co-operative	NSW	73,033,621	-381,324	-369,159	21,677,795
60	The Community Co-operative Store Nuriootpa Ltd	SA	65,513,599	1,111,847	781,201	47,384,983
61	CCW Co-op	SA	63,263,160	69,328	87,892	2,799,739
62	Australian Defence Credit Union	NSW	60,282,350	5,768,627	4,166,306	818,598,713
63	Yenda Producers Co-operative Ltd	NSW	58,253,135	3,322,655	2,453,897	32,727,199
64	Navy Health Ltd	VIC	55,660,000	5,749,000	5,749,000	73,819,000
65	Maritime, Mining & Power Credit Union Ltd	NSW	52,658,676	5,535,226	4,069,268	736,812,210
66	Credit Union SA Ltd	SA	52,631,000	6,474,000	4,655,000	817,044,000
67	Hume Bank	NSW	52,396,000	4,248,000	2,955,000	883,943,000
68	Community First Credit Union	NSW	49,140,000	2,879,000	2,204,000	736,703,000
69	Police Credit Union Limited	SA	48,329,000	3,969,572	2,824,676	701,853,864
70	Gateway Credit Union	NSW	44,911,000	3,531,000	2,451,000	755,880,000
71	Queensland Police Credit Union Ltd	QLD	43,767,729	1,559,792	1,048,794	679,740,777
72	Master Butchers Co-operative Ltd	SA	43,605,164	8,209,460	5,099,182	37,599,447
73	Lenswood Cold Stores Co-operative Society Ltd	SA	43,401,886	328,848	1,181,811	20,942,224
74	CEHL	VIC	41,190,000	1,820,751	1,820,751	683,759,180
75	SGE Credit Union	NSW	40,930,000	4,138,000	2,701,000	656,685,000
76	Sydney Credit Union	NSW	39,834,364	2,811,564	2,114,418	645,134,625

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
77	Summerland Credit Union Ltd	NSW	37,744,000	4,102,000	2,892,000	570,068,000
78	Ravensdown Fertiliser Co-operative Ltd	WA	35,767,000	-144,000	-128,000	17,284,000
79	Mildura District Hospital Fund Ltd	VIC	35,311,000	4,208,000	4,208,000	76,326,000
80	Railways Credit Union	QLD	33,529,448	4,094,121	2,907,875	578,659,165
81	Community Alliance Credit Union	NSW	33,458,000	1,441,000	1,508,000	510,986,000
82	Holiday Coast Credit Union	NSW	33,342,000	2,493,000	1,806,000	477,212,000
83	Maitland Mutual Building Society Ltd	NSW	31,517,000	2,957,000	2,068,000	523,243,000
84	Royal Automobile Club of Tasmania	TAS	31,191,513	6,250,276	6,285,870	70,287,178
85	Batlow Fruit Co-operative Ltd	NSW	29,446,292	-1,704,715	-1,272,184	15,999,730
86	Australian Wine Consumers Co-operative Ltd	NSW	28,732,000	51,000	51,000	5,859,000
87	Key Invest	SA	27,275,354	670,577	468,837	214,991,500
88	Phoenix Health Fund	NSW	25,887,000	566,000	566,000	21,170,000
89	Wesbuilders Co-operative Ltd	WA	25,200,000	168,560	114,751	1,557,357
90	Mount Barker Co-operative Ltd	WA	24,170,873	501,404	326,854	13,371,796
91	WAW Credit Union Co-operative	VIC	22,408,363	1,463,429	1,031,127	364,760,291
92	Queenslanders Credit Union Limited	QLD	22,261,910	1,613,480	1,172,347	319,150,579
93	Service One	ACT	21,685,000	1,531,000	1,205,000	302,767,000
94	Co-operative Purchasing Services Ltd	WA	21,007,000	-129,000	-123,000	3,774,000
95	ACA Health Benefits Fund	NSW	20,766,000	1,662,000	1,662,000	20,241,000
96	Terang & District Co-operative	VIC	19,594,660	440,101	298,668	9,545,418
97	The Associated Newsagents Co-operative Ltd	SA	19,185,718	555,211	422,498	12,296,041
98	Transport Health Pty Ltd	VIC	15,622,000	1,429,000	1,429,000	14,667,000
99	Riverina Co-operative Society	NSW	15,285,624	507,374	355,162	8,693,568
100	Clarence River Fishermen's Co-operative Ltd	NSW	15,181,425	-185,676	-28,071	1,579,335

Notes to Table:

1. EBIT= earnings before interest and tax. NPAT = net profit after tax. n/a=not available. All values are reported in Australian \$.
2. Turnover for Capricorn Society Ltd and Wesbuilders Co-operative Ltd represents the total value of member business facilitated by the co-operative (sale of goods to members by suppliers), and not the revenue figure reported on the P&L statement.
3. Lenswood Cold Stores Co-operative Society Ltd financials are reported for the year ended 31 December 2013. RACQ financials are reported for the period 1 January 2013 to 30 June 2013 only, due to a change in their reporting method from calendar to financial year.
4. Private health insurers that are not member-owned businesses are not included in this list, unless they are a subsidiary of an Australian co-operative or mutual entity. In this case the turnover of the parent entity includes all for-profit and not-for-profit subsidiaries. The following private health insurers are therefore included in the parent entity consolidated financials: Australian Unity Health Ltd and Grand United Corporate Health Ltd (parent entity Australian Unity Ltd), The Doctors' Health Fund (parent entity Avant Mutual Group Ltd), and Queensland Country Health Fund (parent entity Queensland Country Credit).
5. Candidates for the 2014 list were drawn from third party publications, namely Denniss and Baker (2012), top 100 lists published by Co-operatives Australia (CA, 2010, 2011, 2012), the State of The Health Funds Report (The Private Health Insurance Ombudsman, 2013), the list of health funds available by the Australian Government (PrivateHealth.gov.au), and a list of super funds provided by BCCM.

6. Data was sourced from firms' annual reports from their websites and other publicly available sources such as IBISWorld. Data was also collected through an online survey and follow-up calls to increase the participation rate. Any organisation for which financial information was not publicly available and they did not complete the online survey are not included in the final list. Data for the private health insurers was sourced from the PHICA (Private Health Insurance Administration Council) publication "The Operations of Private Health Insurers Annual Report 2012-13" and supportive excel data file.
7. Organisations that provide services to members but are either listed on the ASX, or are owned by a listed or privately owned (non-member owned or not Australian) organizations were not included in the list.
8. Superannuation funds are reported separate to this list.

APPENDIX B: TOP 10 AUSTRALIAN SUPERANNUATION FUNDS 2014 BY TURNOVER FY2012-13

Rank	Name	Turnover (AUD \$)	Accrued benefits before tax (AUD \$)	Accrued benefits after tax (AUD \$)	Assets (AUD \$)	Liability (AUD \$)	Equity (AUD \$)
1	Australian Super	24,911,624,000	19,231,211,000	17,982,530,000	65,458,635,000	589,301,000	64,869,334,000
2	First State Super Fund	9,643,277,000	7,119,551,000	6,221,526,000	40,398,174,000	835,527,000	39,562,647,000
3	UniSuper	8,479,864,000	6,439,586,000	5,844,795,000	44,171,503,000	7,839,134,000	36,322,369,000
4	Retail Employee's Superannuation Trust (REST)	8,035,100,000	7,415,059,000	6,770,262,000	29,082,696,000	1,877,982,000	27,204,714,000
5	Sunsuper	6,589,306,000	4,688,331,000	461,358,000	24,469,154,000	543,010,000	23,926,144,000
6	Health Employee's Superannuation Trust Australia (HESTA)	6,043,592,000	5,825,247,000	5,327,439,000	24,259,816,000	630,320,000	23,629,496,000
7	Construction & Building Superannuation (CBUS)	5,996,489,000	5,511,039,000	5,215,140,000	22,971,200,000	316,550,000	22,654,650,000
8	HOSTPLUS	3,760,362,532	3,555,316,684	3,236,572,189	12,956,838,974	149,126,166	12,738,842,369
9	CareSuper	3,709,268,820	3,595,093,153	3,479,605,249	7,831,939,178	87,631,429	7,744,307,479
10	VicSuper	2,673,751,000	2,587,382,000	2,415,937,000	11,111,660,000	182,823,000	10,928,837,000

APPENDIX C: TOP 100 AUSTRALIAN CME BY ASSETS FY2012-13

Rank	Name	State	Assets	Liabilities	Equity	Rank by turnover
1	Credit Union Australia	QLD	9,958,103,000	9,201,514,000	756,589,000	7
2	Heritage Bank Ltd	QLD	8,507,047,000	8,173,552,000	333,495,000	11
3	Newcastle Permanent	NSW	8,296,357,000	7,538,482,000	757,875,000	14
4	People's Choice Credit Union	SA	5,816,145,000	5,382,016,000	434,129,000	15
5	Greater Building Society	NSW	4,957,548,000	4,600,070,000	357,478,000	22
6	IMB Limited	NSW	4,893,958,000	4,620,838,000	273,120,000	24
7	Teachers Mutual Bank Ltd	NSW	4,088,612,000	3,747,338,000	341,274,000	27
8	Australian Unity Ltd	VIC	3,823,538,000	3,352,630,000	479,908,000	6
9	Community CPS Australia (Beyond Bank)	SA	3,790,755,000	3,475,515,000	315,240,000	28
10	CUSCAL	NSW	3,183,400,000	2,960,100,000	223,300,000	23
11	Bankmecu	VIC	3,041,256,000	2,698,534,000	342,722,000	35
12	Police & Nurses Credit Society Ltd	WA	2,845,281,000	2,612,484,000	232,797,000	34
13	QANTAS Credit Union	NSW	2,791,347,000	2,257,554,000	193,793,000	37
14	RACQ	QLD	2,242,016,000	1,264,937,000	977,079,000	10
15	Co-operative Bulk Handling Ltd	WA	1,988,752,000	618,564,000	1,370,188,000	1
16	Avant Mutual Group Ltd	NSW	1,775,784,000	935,518,000	840,266,000	17
17	Victoria Teachers Mutual Bank	VIC	1,774,475,000	1,636,581,000	137,894,000	44
18	Australian Scholarships Groups	VIC	1,687,790,000	1,588,190,000	99,600,000	30
19	Murray Goulburn Co-operative Co Ltd	VIC	1,659,054,000	972,567,000	686,487,000	2
20	RACV	VIC	1,657,600,000	437,000,000	1,220,600,000	13
21	RAC WA	WA	1,518,627,000	787,493,000	731,134,000	9
22	Defence Bank	VIC	1,443,120,000	1,320,024,000	123,096,000	51
23	The Hospitals Contribution Fund of Australia Ltd	NSW	1,408,140,000	519,808,000	888,332,000	3
24	Bananacoast Community Credit Union	NSW	1,340,086,000	1,243,073,000	97,013,000	53
25	Police Bank Ltd	NSW	1,327,418,791	1,184,175,230	143,243,561	50
26	QTMB	QLD	1,267,545,000	1,151,562,000	115,983,000	55
27	HBF Health Ltd	WA	1,239,276,000	359,933,000	879,343,000	4
28	Queensland Country Credit	QLD	1,203,764,000	1,119,658,000	84,106,000	49
29	BankVic	VIC	1,183,445,000	1,058,989,000	124,456,000	58
30	National Roads & Motorists' Association Ltd	NSW	1,131,318,000	414,324,000	716,994,000	12
31	Hume Bank	NSW	883,943,000	826,603,000	57,340,000	67
32	Australian Defence Credit Union	NSW	818,598,713	747,975,475	70,623,238	62
33	Credit Union SA Ltd	SA	817,044,000	736,856,000	78,188,000	66
34	Gateway Credit Union	NSW	755,880,000	664,404,000	91,476,000	70
35	Maritime, Mining & Power Credit Union Ltd	NSW	736,812,210	675,990,663	60,821,547	65
36	Community First Credit Union	NSW	736,703,000	673,150,000	63,553,000	68
37	Police Credit Union Limited	SA	701,853,864	645,524,806	56,329,058	69

Rank	Name	State	Assets	Liabilities	Equity	Rank by turnover
38	CEHL	VIC	683,759,180	96,628,037	587,131,143	74
39	Queensland Police Credit Union Ltd	QLD	679,740,777	612,917,436	66,823,341	71
40	SGE Credit Union	NSW	656,685,000	583,569,000	73,116,000	75
41	Sydney Credit Union	NSW	645,134,625	580,733,733	64,400,892	76
42	Railways Credit Union	QLD	578,659,165	525,184,414	53,474,751	80
43	Summerland Credit Union Ltd	NSW	570,068,000	526,369,000	43,699,000	77
44	Maitland Mutual Building Society Ltd	NSW	523,243,000	491,654,000	31,592,000	83
45	Community Alliance Credit Union	NSW	510,986,000	473,946,000	37,040,000	81
46	Holiday Coast Credit Union	NSW	477,212,000	442,152,000	35,060,000	82
47	Royal Automobile Association of South Australia	SA	383,491,000	195,918,000	187,573,000	26
48	WAW Credit Union Co-operative	VIC	364,760,291	341,566,961	23,193,330	91
49	Queenslanders Credit Union Limited	QLD	319,150,579	278,446,704	40,703,875	92
50	Teachers Federation Health Ltd	NSW	314,450,000	94,967,000	216,482,873	16
51	Service One	ACT	302,767,000	280,265,000	22,502,000	93
52	Defence Health Ltd	VIC	297,648,000	76,444,000	221,204,000	20
53	Namoi Cotton Co-operative Ltd	NSW	293,523,000	183,038,000	110,485,000	8
54	GMHBA Ltd	VIC	224,737,000	84,239,000	140,498,000	21
55	Capricorn Society Ltd	WA	216,311,000	119,490,000	96,821,000	5
56	Key Invest	SA	214,991,500	187,547,551	27,443,949	87
57	CBHS Health Fund Ltd	NSW	198,146,789	65,752,404	132,394,385	25
58	Latrobe Health Services Ltd	VIC	159,590,000	31,582,000	128,008,000	39
59	Norco Co-operative Ltd	NSW	156,986,000	88,561,000	60,914,000	18
60	Westfund Health Ltd	NSW	142,420,000	36,969,000	105,450,846	38
61	Australian Friendly Society	VIC	133,666,000	123,620,000	10,046,000	113
62	Healthguard Health Benefits Fund Ltd	WA	120,309,000	25,731,000	94,578,000	45
63	Health Partners Ltd	SA	109,839,924	19,460,814	90,379,110	40
64	Queensland Teachers Union Health Fund	QLD	105,384,275	23,220,943	82,163,332	42
65	Health Insurance Fund of Australia Ltd	WA	96,012,545	22,643,508	73,369,037	47
66	Northern Co-operative Meat Company Ltd	NSW	94,900,000	38,100,000	56,800,000	33
67	St. Lukes Medical & Hospital Benefits Association Ltd	TAS	92,214,000	18,595,000	73,619,000	57
68	Mildura District Hospital Fund Ltd	VIC	76,326,000	9,804,000	66,522,000	79
69	Navy Health Ltd	VIC	73,819,000	17,632,000	56,187,000	64
70	South West Irrigation Management Co-operative	WA	73,114,227	20,478,038	52,636,189	116
71	Independent Liquor Group Suppliers Co-operative Ltd	NSW	72,191,119	65,435,269	6,755,850	36
72	Royal Automobile Club of Tasmania	TAS	70,287,178	21,842,849	48,444,329	84
73	Western Australian Meat Marketing Co-operative Ltd	WA	69,991,000	40,264,000	29,727,000	32
74	Lysaght Peoplecare Ltd	NSW	69,655,426	19,924,342	49,731,084	46
75	Geraldton Fishermen's Co-operative Ltd	WA	65,170,495	43,457,461	21,713,034	31

Rank	Name	State	Assets	Liabilities	Equity	Rank by turnover
76	Railway and Transport Health Fund Ltd	NSW	64,891,000	20,028,000	44,863,000	52
77	CUA Health Ltd	QLD	64,660,000	11,405,000	53,255,000	48
78	South West Irrigation Asset Co-operative	WA	62,470,591	10,166,973	52,303,618	119
79	The University Co-operative Bookshop Ltd	NSW	61,994,030	n/a	n/a	43
80	Independent Liquor Group Distribution Co-operative Ltd	NSW	60,265,048	60,858,465	-593,417	29
81	Police Health Ltd	SA	53,217,000	13,394,000	39,823,000	54
82	The Community Co-operative Store Nuriootpa Ltd	SA	47,384,983	15,344,520	32,040,463	60
83	Master Butchers Co-operative Ltd	SA	37,599,447	n/a	n/a	72
84	Yenda Producers Co-operative Ltd	NSW	32,727,199	24,869,481	7,857,718	63
85	Dairy Farmers Milk Co-operative Ltd	NSW	23,737,000	9,541,000	14,196,000	19
86	Coleambally Irrigation	NSW	22,592,981	200,805	22,392,176	118
87	Hastings Co-operative	NSW	21,677,795	20,062,821	1,614,974	59
88	Phoenix Health Fund	NSW	21,170,000	5,748,000	15,422,000	88
89	Lenswood Cold Stores Co-operative Society Ltd	SA	20,942,224	9,791,922	11,150,302	73
90	ACA Health Benefits Fund	NSW	20,241,000	3,578,000	16,663,000	95
91	Auburn RSL Club Co-op	NSW	18,964,767	2,343,533	16,621,234	105
92	Genetics Australia Co-operative Ltd	VIC	18,199,840	7,787,320	10,412,520	101
93	Ravensdown Fertiliser Co-operative Ltd	WA	17,284,000	9,458,000	7,826,000	78
94	Batlow Fruit Co-operative Ltd	NSW	15,999,730	9,811,240	6,188,490	85
95	Health Care Insurance Ltd	TAS	15,763,226	3,321,651	12,441,575	102
96	Transport Health Pty Ltd	VIC	14,667,000	4,351,000	10,315,000	98
97	Mount Barker Co-operative Ltd	WA	13,371,796	3,128,965	10,242,831	90
98	The Associated Newsagents Co-operative Ltd	SA	12,296,041	1,865,253	10,430,788	97
99	Reserve Bank Health Society	NSW	11,225,798	1,462,423	9,763,375	110
100	Commercial Fisherman's Co-operative	NSW	11,000,000	n/a	n/a	103

Notes to Table:

1. n/a=not available. All values are reported in Australian \$.
2. Information on the assets of Plumbers Supplies Co-operative Ltd and NSW Sugar Milling Co-operative was not available. Whilst they are listed in the top 100 by turnover these firms were not considered for inclusion in this list.
3. Lenswood Cold Stores Co-operative Society Ltd financials are reported for the year ended 31 December 2013. RACQ financials are reported for the period 1 January 2013 to 30 June 2013 only, due to a change in their reporting method from calendar to financial year.
4. Private health insurers that are not member-owned businesses are not included in this list, unless they are a subsidiary of an Australian co-operative or mutual entity. In this case the turnover of the parent entity includes all for-profit and not-for-profit subsidiaries. The following private health insurers are therefore included in the parent entity consolidated financials: Australian Unity Health Ltd and Grand United Corporate Health Ltd (parent entity Australian Unity Ltd), The Doctors' Health Fund (parent entity Avant Mutual Group Ltd), and Queensland Country Health Fund (parent entity Queensland Country Credit).
5. Candidates for the 2014 list were drawn from third party publications, namely Denniss and Baker (2012), top 100 lists published by Co-operatives Australia (CA, 2010, 2011, 2012), the State of The Health Funds Report (The Private

Health Insurance Ombudsman, 2013), the list of health funds available by the Australian Government (PrivateHealth.gov.au), and a list of super funds provided by BCCM.

6. Data was sourced from firms' annual reports from their websites and other publicly available sources such as IBISWorld. Data was also collected through an online survey and follow-up calls to increase the participation rate. Any organisation for which financial information was not publicly available and they did not complete the online survey are not included in the final list. Data for the private health insurers was sourced from the PHICA (Private Health Insurance Administration Council) publication "The Operations of Private Health Insurers Annual Report 2012-13" and supportive excel data file.
7. Organisations that provide services to members but are either listed on the ASX, or are owned by a listed or privately owned (non-member owned or not Australian) organizations were not included in the list.
8. Superannuation funds are reported separate to this list.

APPENDIX D: TOP 100 AUSTRALIAN CME BY EBIT FY2012-13

Rank	Name	State	EBIT	NPAT	Rank by turnover
1	HBF Health Ltd	WA	166,493,000	166,493,000	4
2	Avant Mutual Group Ltd	NSW	159,380,000	115,673,000	17
3	Co-operative Bulk Handling Ltd	WA	137,723,000	131,707,000	1
4	The Hospitals Contribution Fund of Australia Ltd	NSW	99,939,000	99,939,000	3
5	RACV	VIC	95,500,000	91,300,000	13
6	Credit Union Australia	QLD	78,635,000	57,485,000	7
7	Australian Unity Ltd	VIC	62,923,000	29,410,000	6
8	Newcastle Permanent	NSW	56,155,000	39,073,000	14
9	Heritage Bank Ltd	QLD	52,964,000	37,052,000	11
10	RACQ	QLD	46,297,000	38,446,000	10
11	National Roads & Motorists' Association Ltd	NSW	45,140,000	37,211,000	12
12	IMB Limited	NSW	40,778,000	28,510,000	24
13	Teachers Mutual Bank Ltd	NSW	39,650,000	28,098,000	27
14	Greater Building Society	NSW	39,631,000	28,410,000	22
15	Murray Goulburn Co-operative Co Ltd	VIC	39,053,000	34,904,000	2
16	Bankmecu	VIC	34,793,000	25,397,000	35
17	People's Choice Credit Union	SA	34,526,000	37,897,000	15
18	RAC WA	WA	32,497,000	35,173,000	9
19	Community CPS Australia (Beyond Bank)	SA	32,254,000	23,184,000	28
20	Defence Health Ltd	VIC	24,161,000	24,161,000	20
21	QANTAS Credit Union	NSW	21,695,000	15,266,000	37
22	Australian Scholarships Groups	VIC	21,040,000	2,107,000	30
23	Capricorn Society Ltd	WA	19,319,000	13,939,000	5
24	Royal Automobile Association of South Australia	SA	18,336,000	15,291,000	26
25	GMHBA Ltd	VIC	17,928,000	17,928,000	21
26	Police & Nurses Credit Society Ltd	WA	15,708,000	13,103,000	34
27	BankVic	VIC	14,650,000	10,351,000	58
28	CBHS Health Fund Ltd	NSW	14,371,245	14,371,245	25
29	Defence Bank	VIC	14,275,000	10,021,000	51
30	Police Bank Ltd	NSW	14,269,978	10,071,129	50
31	Health Partners Ltd	SA	12,965,947	12,965,947	40
32	Teachers Federation Health Ltd	NSW	11,838,090	11,838,090	16
33	CUSCAL	NSW	11,800,000	8,700,000	23
34	Healthguard Health Benefits Fund Ltd	WA	11,718,000	11,718,000	45
35	Victoria Teachers Mutual Bank	VIC	10,276,000	6,139,000	44
36	Westfund Health Ltd	NT	10,005,453	9,876,009	38
37	Health Insurance Fund of Australia Ltd	WA	9,490,756	9,490,756	47
38	QTMB	QLD	9,463,000	6,887,000	55
39	Police Health Ltd	SA	8,983,000	8,983,000	54

Rank	Name	State	EBIT	NPAT	Rank by turnover
40	Western Australian Meat Marketing Co-operative Ltd	WA	8,244,000	7,848,000	32
41	Master Butchers Co-operative Ltd	SA	8,209,460	5,099,182	72
42	Queensland Country Credit	QLD	7,711,000	5,436,000	49
43	Queensland Teachers Union Health Fund	QLD	7,609,632	7,609,632	42
44	Railway and Transport Health Fund Ltd	NSW	7,541,000	7,541,000	52
45	St. Lukes Medical & Hospital Benefits Association Ltd	TAS	7,498,000	7,498,000	57
46	Latrobe Health Services Ltd	VIC	7,028,000	7,028,000	39
47	Australian Friendly Society	VIC	6,855,000	5,904,000	113
48	Lysaght Peoplecare Ltd	NSW	6,775,000	6,775,000	46
49	CUA Health Ltd	QLD	6,760,000	6,760,000	48
50	Credit Union SA Ltd	SA	6,474,000	4,655,000	66
51	Bananacoast Community Credit Union	NSW	6,275,000	4,472,000	53
52	Royal Automobile Club of Tasmania	TAS	6,250,276	6,285,870	84
53	Australian Defence Credit Union	NSW	5,768,627	4,166,306	62
54	Navy Health Ltd	VIC	5,749,000	5,749,000	64
55	Maritime, Mining & Power Credit Union Ltd	NSW	5,535,226	4,069,268	65
56	Hume Bank	NSW	4,248,000	2,955,000	67
57	Mildura District Hospital Fund Ltd	VIC	4,208,000	4,208,000	79
58	SGE Credit Union	NSW	4,138,000	2,701,000	75
59	Summerland Credit Union Ltd	NSW	4,102,000	2,892,000	77
60	Railways Credit Union	QLD	4,094,121	2,907,875	80
61	Police Credit Union Limited	SA	3,969,572	2,824,676	69
62	Geraldton Fishermen's Co-operative Ltd	WA	3,559,311	2,640,928	31
63	Gateway Credit Union	NSW	3,531,000	2,451,000	70
64	Yenda Producers Co-operative Ltd	NSW	3,322,655	2,453,897	63
65	Coleambally Irrigation	NSW	3,107,183	2,610,170	118
66	Maitland Mutual Building Society Ltd	NSW	2,957,000	2,068,000	83
67	Community First Credit Union	NSW	2,879,000	2,204,000	68
68	Sydney Credit Union	NSW	2,811,564	2,114,418	76
69	Holiday Coast Credit Union	NSW	2,493,000	1,806,000	82
70	CEHL	VIC	1,820,751	1,820,751	74
71	South West Irrigation Asset Co-operative	WA	1,766,486	1,484,681	119
72	ACA Health Benefits Fund	NSW	1,662,000	1,662,000	95
73	Queenslanders Credit Union Limited	QLD	1,613,480	1,172,347	92
74	Queensland Police Credit Union Ltd	QLD	1,559,792	1,048,794	71
75	Service One	ACT	1,531,000	1,205,000	93
76	WAW Credit Union Co-operative	VIC	1,463,429	1,031,127	91
77	Community Alliance Credit Union	NSW	1,441,000	1,508,000	81
78	Transport Health Pty Ltd	VIC	1,429,000	1,429,000	98
79	Reserve Bank Health Society	NSW	1,126,314	1,126,314	110

Rank	Name	State	EBIT	NPAT	Rank by turnover
80	The Community Co-operative Store Nuriootpa Ltd	SA	1,111,847	781,201	60
81	Independent Liquor Group Suppliers Co-operative Ltd	NSW	1,039,422	1,411,535	36
82	Dairy Farmers Milk Co-operative Ltd	NSW	901,000	848,000	19
83	Health Care Insurance Ltd	TAS	768,844	768,844	102
84	Key Invest	SA	670,577	468,837	87
85	Southern Quality Produce Co-operative Ltd	VIC	655,321	446,842	121
86	Automobile Association of Northern Territory	NT	628,777	625,386	117
87	Phoenix Health Fund	NSW	566,000	566,000	88
88	The Associated Newsagents Co-operative Ltd	SA	555,211	422,498	97
89	Riverina Co-operative Society	NSW	507,374	355,162	99
90	Mount Barker Co-operative Ltd	WA	501,404	326,854	90
91	Walgett Special One Co-operative	NSW	488,269	345,989	120
92	Terang & District Co-operative	VIC	440,101	298,668	96
93	CDH Benefits Fund Ltd	NSW	429,000	429,000	112
94	Norco Co-operative Ltd	NSW	350,000	350,000	18
95	Lenswood Cold Stores Co-operative Society Ltd	SA	328,848	1,181,811	73
96	Independent Liquor Group Distribution Co-operative Ltd	NSW	192,036	120,759	29
97	Wesbuilders Co-operative Ltd	WA	168,560	114,751	89
98	Commercial Fisherman's Co-operative	NSW	140,000	85,000	103
99	Community Child Care Co-operative Ltd	NSW	134,386	134,386	114
100	Moulamein Grain Co-operative Ltd	NSW	120,203	107,756	111

Notes to Table:

1. EBIT= earnings before interest and tax. NPAT = net profit after tax. All values are reported in Australian \$.
2. EBIT was not available for Northern Co-operative Meat Company Ltd, Plumbers Supplies Co-operative Ltd and NSW Sugar Milling Co-operative. Whilst they are listed in the top 100 by turnover these firms were not considered for inclusion in this list.
3. Lenswood Cold Stores Co-operative Society Ltd financials are reported for the year ended 31 December 2013. RACQ financials are reported for the period 1 January 2013 to 30 June 2013 only, due to a change in their reporting method from calendar to financial year.
4. Private health insurers that are not member-owned businesses are not included in this list, unless they are a subsidiary of an Australian co-operative or mutual entity. In this case the turnover of the parent entity includes all for-profit and not-for-profit subsidiaries. The following private health insurers are therefore included in the parent entity consolidated financials: Australian Unity Health Ltd and Grand United Corporate Health Ltd (parent entity Australian Unity Ltd), The Doctors' Health Fund (parent entity Avant Mutual Group Ltd), and Queensland Country Health Fund (parent entity Queensland Country Credit).
5. Candidates for the 2014 list were drawn from third party publications, namely Denniss and Baker (2012), top 100 lists published by Co-operatives Australia (CA, 2010, 2011, 2012), the State of The Health Funds Report (The Private Health Insurance Ombudsman, 2013), the list of health funds available by the Australian Government (PrivateHealth.gov.au), and a list of super funds provided by BCCM.
6. Data was sourced from firms' annual reports from their websites and other publicly available sources such as IBISWorld. Data was also collected through an online survey and follow-up calls to increase the participation rate. Any organisation for which financial information was not publicly available and they did not complete the online survey are not included in the final list. Data for the private health insurers was sourced from the PHICA (Private Health Insurance Administration Council) publication "The Operations of Private Health Insurers Annual Report 2012-13" and supportive excel data file.

7. Organisations that provide services to members but are either listed on the ASX, or are owned by a listed or privately owned (non-member owned or not Australian) organizations were not included in the list.
8. Superannuation funds are reported separate to this list.

APPENDIX E: TOP 100 AUSTRALIAN CME BY STATE AND TERRITORY FY2012-13

Rank	Name	Turnover	Assets	Top 100 Rank
ACT HEADQUARTERED				
1	Service One	21,685,000	302,767,000	93
Combined Turnover & Assets held		21,685,000	302,767,000	
NSW HEADQUARTERED				
1	The Hospitals Contribution Fund of Australia Ltd	2,134,196,000	1,408,140,000	3
2	Namoi Cotton Co-operative Ltd	580,042,000	293,523,000	8
3	National Roads & Motorists' Association Ltd	478,886,000	1,131,318,000	12
4	Newcastle Permanent	456,057,000	8,296,357,000	14
5	Teachers Federation Health Ltd	409,392,000	314,450,000	16
6	Avant Mutual Group Ltd	408,456,000	1,775,784,000	17
7	Norco Co-operative Ltd	369,891,000	156,986,000	18
8	Dairy Farmers Milk Co-operative Ltd	327,016,000	23,737,000	19
9	Greater Building Society	315,938,000	4,957,548,000	22
10	CUSCAL	313,000,000	3,183,400,000	23
Combined Turnover & Assets held		5,792,874,000	21,541,243,000	
QLD HEADQUARTERED				
1	Credit Union Australia	693,103,000	9,958,103,000	7
2	RACQ	532,827,000	2,242,016,000	10
3	Heritage Bank Ltd	493,712,000	8,507,047,000	11
4	Queensland Teachers Union Health Fund	113,120,000	105,384,275	42
5	CUA Health Ltd	93,979,000	64,660,000	48
6	Queensland Country Credit	92,389,000	1,203,764,000	49
7	QTMB	83,761,000	1,267,545,000	55
8	Queensland Police Credit Union Ltd	43,767,729	679,740,777	71
9	Railways Credit Union	33,529,448	578,659,165	80
10	Queenslanders Credit Union Limited	22,261,910	319,150,579	92
Combined Turnover & Assets held		2,202,450,087	24,926,069,796	
SA HEADQUARTERED				
1	People's Choice Credit Union	423,923,000	5,816,145,000	15
2	Royal Automobile Association of South Australia	257,064,000	383,491,000	26
3	Community CPS Australia (Beyond Bank)	245,208,000	3,790,755,000	28
4	Health Partners Ltd	127,194,000	109,839,924	40
5	Police Health Ltd	85,730,000	53,217,000	54
6	The Community Co-operative Store Nuriootpa Ltd	65,513,599	47,384,983	60
7	CCW Co-op	63,263,160	2,799,739	61
8	Credit Union SA Ltd	52,631,000	817,044,000	66
9	Police Credit Union Limited	48,329,000	701,853,864	69

Rank	Name	Turnover	Assets	Top 100 Rank
10	Master Butchers Co-operative Ltd	43,605,164	37,599,447	72
Combined Turnover & Assets held		1,412,460,923	11,760,129,957	
TAS HEADQUARTERED				
1	St. Lukes Medical & Hospital Benefits Association Ltd	80,083,000	92,214,000	57
2	Royal Automobile Club of Tasmania	31,191,513	70,287,178	84
Combined Turnover & Assets held		111,274,513	162,501,178	
VIC HEADQUARTERED				
1	Murray Goulburn Co-operative Co Ltd	2,389,435,000	1,659,054,000	2
2	Australian Unity Ltd	1,146,136,000	3,823,538,000	6
3	RACV	476,410,000	1,657,600,000	13
4	Defence Health Ltd	322,085,000	297,648,000	20
5	GMHBA Ltd	321,953,000	224,737,000	21
6	Australian Scholarships Groups	217,716,000	1,687,790,000	30
7	Bankmecu	170,263,000	3,041,256,000	35
8	Latrobe Health Services Ltd	129,983,000	159,590,000	39
9	Victoria Teachers Mutual Bank	108,300,000	1,774,475,000	44
10	Defence Bank	92,117,000	1,443,120,000	51
Combined Turnover & Assets held		5,374,398,000	15,768,808,000	
WA HEADQUARTERED				
1	Co-operative Bulk Handling Ltd	2,815,739,000	1,988,752,000	1
2	HBF Health Ltd	1,268,960,000	1,239,276,000	4
3	Capricorn Society Ltd	1,212,581,000	216,311,000	5
4	RAC WA	560,254,000	1,518,627,000	9
5	Geraldton Fishermen's Co-operative Ltd	213,586,271	65,170,495	31
6	Western Australian Meat Marketing Co-operative Ltd	211,946,000	69,991,000	32
7	Police & Nurses Credit Society Ltd	188,470,000	2,845,281,000	34
8	Healthguard Health Benefits Fund Ltd	106,371,000	120,309,000	45
9	Health Insurance Fund of Australia Ltd	99,494,000	96,012,545	47
10	Ravensdown Fertiliser Co-operative Ltd	35,767,000	17,284,000	78
Combined Turnover & Assets held		6,713,168,271	8,177,014,040	

Notes to Table:

1. Only the Top 100 Australian CME by turnover for the FY 2012/13 were considered for inclusion in this list. Refer to the Table 1 notes.
2. All values are reported in Australian \$.

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