



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

Australia's Leading Co-operative and Mutual Enterprises in 2020



Paper prepared by the UWA Co-operative Enterprise Research Unit

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AUSTRALIA'S LEADING CO-OPERATIVE AND MUTUAL ENTERPRISES IN 2020

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ABSTRACT

This paper reports on a research study that maps the size and structure of the Co-operative and Mutual enterprise (CME) sector in Australia. The Australian CME Index (ACMEI) is a longitudinal study that can provide a better understanding of these firms and their economic and social contribution to the national economy. This year the study found a total of 2,040 active CMEs of which 81% were co-operatives, 15% mutual enterprises, 2.1% were friendly societies and 2% were member-owned superannuation funds. These firms had a combined active membership base of more than 28.7 million memberships¹, generated around \$100 billion in revenue, managed over \$1,067 billion in assets, and employed at least 69,839 people. They encompassed a wide range of industry sectors and provided significant economic and social benefits to their members. The report outlines these contributions and offers a case study of a selected CME to illustrate them.

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

INTRODUCTION

This is the seventh annual report on the Australian Co-operative and Mutual Enterprise (CME) sector and draws on the findings of the previous studies by way of comparison (Mazzarol *et al.*, 2014; 2015; 2016; 2017; Mazzarol, 2018, 2019). The study is part of a long-term project, the Australian Co-operative, and Mutual Enterprise Index (ACMEI), with the goal of developing a comprehensive understanding of the size, characteristics and impact of the CME sector on the Australian economy and society. This work is undertaken in conjunction with the Business Council for Co-operatives and Mutuals (BCCM).

SUMMARY

There are at least 2,040 active CMEs in Australia.

This includes 1,656 co-operatives; 305 mutual enterprises, 43 friendly societies and 38 member-owned super funds.

Their combined gross annual turnover is around \$100 billion.

Their combined gross assets under management is greater than \$1,067 billion.

Their combined active membership is over 28.7 million memberships.

They employed more than 69,839 people.

¹ The term "memberships" refers to multiple memberships held by both individuals and organisations within these member-owned and focused enterprises.

DEFINITIONS

An important starting point in understanding the CME sector is to define these enterprises. The following list of definitions provides a guide to what is a relatively poorly defined sector:

- **A co-operative** is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise (ICA, 2019).
- **A mutual** is a private company registered with the *Corporations Act 2001* (Cwth), that has a constitution providing for no more than one-member-one-vote at a general meeting, and has constitutional provisions to preserve voting democracy (AustLII, 2019).
- **A member-owned business organisation** is one that is owned and controlled by its members who are drawn from one (or more) of three types of stakeholder – consumers, producers and employees – and whose benefits go mainly to these members (Birchall 2011 p. 3).
- **A co-operative or mutual enterprise (CME)** is a member-owned organisation with five or more active members and one or more economic or social purposes. Governance is democratic and based on sharing, democracy, and delegation for the benefit of all its members (Mazzarol *et. al.* 2018).

HOW MANY CMEs IN AUSTRALIA?

Accurate measurement of the total number of CMEs in Australia is complicated by several factors. In the case of the co-operatives, these enterprises are legally registered across a wide range of different state, territory, and federal jurisdictions. They include the state and territory registries for those co-operatives registered under the respective state and territory Co-operative Acts, as well as those co-operatives that are registered as public companies with the Australian Securities and Investments Commission (ASIC), but which operate under their constitutions as co-operatives.

They also include the Australian Charities and Not-for-profits Commission (ACNC), the Office of the Registrar of Indigenous Corporations (ORIC), Australian Business Number (ABN) and the Australian Prudential Regulation Authority (APRA). There is no single repository into which all such enterprises are recorded and as most CMEs are small, operate under different trading names, and have no online visibility, the process of tracking them becomes challenging. Further, many don't publicly identify as CMEs, operating under trading names that are different from their company name, or under names that don't identify them as a "co-operative" or "mutual" enterprise. Further, the recent revision of the *Corporation Act* in 2019, which formally defined the term "mutual" has significantly increased the number of CMEs. For example, there are around 11,700 companies limited by guarantee registered in Australia, most of which would be legally mutual entities (Mazzarol, 2019).

Many CMEs are headquartered in one state or territory but operate across the country. In the case of many of the co-operatives, this requires them to register multiple times with the respective state and territory registries, even when they are operating under the *Co-operatives National Law* (CNL). This can create some confusion over whether there are multiple separate co-operatives or just one enterprise operating across multiple jurisdictions.

DISTRIBUTION OF CMEs BY SECTOR, STATE AND TERRITORY

Table 1 lists the active CMEs by industry type and geographic location. As in past years, most firms are located or headquartered in New South Wales (NSW) with around 39% of the total. Victoria (VIC) has the second largest concentration with about 33%, followed by Queensland (QLD) (13%), Western Australia (WA) (5%), South Australia (SA) (5%), Tasmania (TAS) and the Northern Territory (NT) each with 1.5%, and finally the Australian Capital Territory (ACT) (1.3%).

As shown in Table 1 there is a wide distribution of CMEs across the industry sectors. The most substantial concentrations are found in housing (13.8%), sport and recreation (12.6%), community services (8.9%), medical services (8.1%), agribusiness (7.8%), and education, training, and childcare (7.6%).

TABLE 1: AUSTRALIAN CO-OPERATIVE AND MUTUAL ENTERPRISES BY SECTOR, STATE AND TERRITORY¹

State/Territory	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Total	%Total
Accommodation		11		1	3		8		23	1.1%
Agribusiness		43	1	43	18	3	36	17	160	7.8%
Arts & Culture	1	35		26	1	2	25	2	92	4.5%
Business Services	2	8		2	2		9	2	25	1.3%
Community Services	1	100	1	27	5	1	45	2	182	8.9%
Education, Training, Childcare	1	29		3	1		119	3	156	7.6%
Employment Services	1	5		5		1	7	1	20	1.0%
Environmental	1	9		5	1	1	11		28	1.4%
Banking & Financial Services	1	65	1	14	9	1	35	7	133	6.5%
Fishing		16		2	3		3	1	25	1.2%
Health Insurance		11		1	2	2	5	2	23	1.1%
Health Services	2	2		11	3	1	14		33	1.6%
Housing	2	57		39	28	7	143	6	282	13.8%
Information & Media		18	1				10		29	1.4%
Manufacturing	1	3				1	5	2	12	0.6%
Medical Services	5	54	24	27	12	1	24	18	165	8.1%
Motoring Services	1	1	1	1	1	2	1	1	9	0.4%
Professional Services		10		4			9	1	24	1.3%
Purchasing Services	1	4			2		1	8	16	0.8%
Religious Services		2					4		6	0.3%
Retailing	1	53	3	22	7	3	39	19	147	7.2%
Shared Services	1	17		8			10	2	38	1.9%
Sport & Recreation	2	188		8		1	59		258	12.6%
Telecommunications							2		2	0.2%
Transport Services		31		1	3		6	2	43	2.1%
Utilities (power, water, gas)	2	13		12	3		22	8	60	2.9%
Wholesaling		4			3	1	2		10	0.5%
Superannuation Funds	1	12		4	2	1	18	1	39	1.9%
Total	27	801	32	265	109	290	672	105	2,040	100%
% Total	1.3%	39.2%	1.5%	13.0%	5.3%	1.5%	32.9%	5.3%	100%	

¹ This data is based on the best available evidence but may not represent the total CME sector.

ACTIVE AND INACTIVE CMEs

As with previous years, we reviewed all the available databases (e.g. ABN, APRA, ASIC, ORIC, ACNC, state and territory registries of co-operatives) in order to identify the total size of the CME sector, and cross-checked each firm in order to confirm if it was active. As shown in Table 2, the total number of active CMEs has increased slightly since 2019 even though the total number of inactive firms has also increased. This reflects several factors related to the tracking and accounting involved in the development of the ACMEI database. First, several new CMEs have been identified either through being added to the various state and territory co-operative registries, or their identification through other means. Second, there were several mergers between mutual firms and member owned superannuation funds. Finally, several firms ceased to trade either because of deregistration and wind-up, or demutualisation. What this reflects is that the CME sector has remained stable with around 2,000 identified active firms for some time, dating back to at least 2012 (Denniss & Baker, 2012), and despite the expenditure of \$14.1 million on creating co-operatives under the Farm Co-operatives and Collaboration Pilot Program (see: Mazzarol, 2018).

TABLE 2: ACTIVE VERSUS INACTIVE AUSTRALIAN CO-OPERATIVE AND MUTUAL ENTERPRISES 2019-2020

	2019			2020		
Type	Active	Inactive	Total	Active	Inactive	Total
Co-operative	1,658	461	2,119	1,655	491	2,146
Mutual Enterprises	290	25	315	30430	30	334
Friendly Societies	43	9	52	43	10	53
Member Owned Super Funds	41	4	45	38	7	45
Total	2,032	499	2,531	2,040	538	2,578

WHICH ARE THE LEADING CMEs IN AUSTRALIA?

Since 2010 there has been a “Top 100” league table developed for the CME sector. This initially focused only on the co-operatives (e.g. CA, 2010; 2011; 2012). However, from 2014 the ACMEI database has been providing the foundation data for the annual National Mutual Economy Report (BCCM, 2014; 2015; 2016; 2017; 2018; 2019) a league table of the Top 100 CMEs by annual turnover has been prepared. This provides a ranking of the largest firms by financial turnover and is consistent with the Top 100 largest co-operatives reporting that existed prior to the development of the ACMEI-NME study. The key measures used in this assessment are annual turnover, assets, and membership. All figures are taken from the FY 2018/2019 period.

THE TOP 100 CMEs BY TURNOVER

One measure of assessing leadership in a business sector is the gross annual turnover of the firms that operate within it. This is how the Top 100 of CMEs has been traditionally calculated and for the 2020 report we have taken the gross turnover for FY2018/19 and drawn the largest firms by size of revenue. The reason for taking the data from FY2018/19 is that many firms did not have their FY2019/20 data available at the time this report was being compiled. A further reason is that many CMEs in the sector report their figures for the calendar year rather than the financial year, and others don't issue annual financial reports until late in the year.

It should be noted that we deliberately excluded the member owned superannuation funds from the Top 100 CMEs due to their size from an annual turnover and assets perspective. These businesses have been listed separately in Appendix B.

Appendix A lists the Top 100 CME by gross annual turnover for FY2018/19. It comprises 24 co-operatives, 72 mutual enterprises and 4 friendly societies.

The top 10 CMEs by annual turnover for 2020 were:

1. Co-operative Bulk Handling Ltd (CBH Group) [WA] – \$4.19 billion.
2. Hospital Contribution Fund (HCF) [NSW] – \$2.81 billion.
3. Capricorn Society Ltd [WA] – \$2.04 billion.
4. HBF Health Ltd [WA] – \$1.77 billion.
5. Australian Unity [VIC] – \$1.61 billion.
6. RACQ [QLD] – \$1.46 billion.
7. Members Equity Bank Ltd (ME Bank) [VIC] – \$1.33 billion.
8. RAC WA [WA] – \$829.8 million.
9. Teachers Health Fund [NSW] – \$740 million.
10. NRMA [NSW] – \$736.3 million.

The largest firm by turnover was the WA-based grains storage, handling, and marketing business Co-operative Bulk Handling Ltd (CBH Group), which reported an annual turnover of around \$4.19 billion. This was the tenth consecutive year that CBH has been ranked as Australia's largest CME by annual turnover. In second place, was the mutual health insurance firm, the Hospital Contribution Fund (HCF) from NSW, with an annual turnover of \$2.81 billion. This was the third consecutive year for HCF to take out second place.

Capricorn Society Ltd, the automotive services co-operative, retained third place with an annual turnover of \$2.04 billion, followed by the private health insurance mutual fund HBF Health Ltd with \$1.77 billion in annual turnover in fourth place. Both Capricorn and HBF are headquartered in WA. Victorian-based insurance mutual Australian Unity held fifth place, while the Queensland-based motoring association RACQ rose to sixth place, and the Victorian banking mutual Members Equity (ME) Bank fell to seventh place. This was followed by the WA motoring association RAC WA, and the NSW based Teachers Health Fund and motoring association NRMA in final two places.

TOP 100 CME BY ASSETS

When ranked by total assets held (current and non-current assets), the mutual enterprises operating in the banking and finance sector topped the list. Appendix C lists the top 100 CMEs by assets, liabilities, and equity. The Top 10 CMEs by assets were:

1. Members Equity Bank Ltd (ME Bank) [VIC] – \$30.87 billion.
2. Credit Union Australia (CUA) [QLD] – \$15.76 billion.
3. Newcastle Permanent [NSW] – \$10.83 billion.
4. Heritage Bank Ltd [QLD] – \$10.09 billion.
5. People's Choice Credit Union [SA] – \$8.81 billion.
6. Teachers Mutual Bank Ltd [NSW] – \$8.04 billion.
7. Greater Bank (Greater Building Society) [NSW] – \$7.16 billion.
8. Bank Australia [VIC] – \$6.33 billion.
9. Beyond Bank (Community CPS Australia Ltd) [SA] – \$6.20 billion.
10. IMB Limited [NSW] – \$6.08 billion.

TOP 100 CMEs BY MEMBERSHIP

At time of writing there was reliable data on the membership of at least 208 CMEs. The Top 100 (incorporating the member owned superannuation funds are listed in Appendix C. As shown below the Top 10 were:

1. NRMA [NSW] – 2.6 million members.
2. Australian Super [VIC] – 2.2 million members.
3. RACV [VIC] – 2.1 million members.
4. Retail Employees' Superannuation Fund (REST) [NSW] – 2 million members.
5. RACQ [QLD] – 1.67 million members.
6. Hospital Contribution Fund (HCF) [NSW] – 1.5 million members.
7. Sunsuper [QLD] – 1.5 million members.
8. RAC WA [WA] – 1.2 million members.
9. HBF Health [WA] – 1.03 million members.
10. HOSTPLUS [VIC] – 994,706 members.

GEOGRAPHIC DISTRIBUTION OF THE TOP 100 CMEs

The largest proportion (43%) of CMEs in the Top 100 was 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 18%, South Australia 13%, Western Australia 11%, Queensland 9%, Tasmania 4%, and the Northern Territory 2%. Figure 1 illustrates the distribution of the Top 100 by State and Territory.

FIGURE 1: TOP 100 CME DISTRIBUTION BY STATE AND TERRITORY

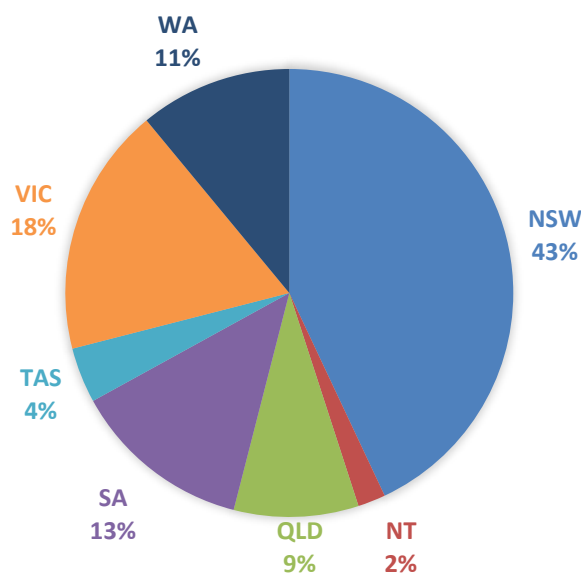
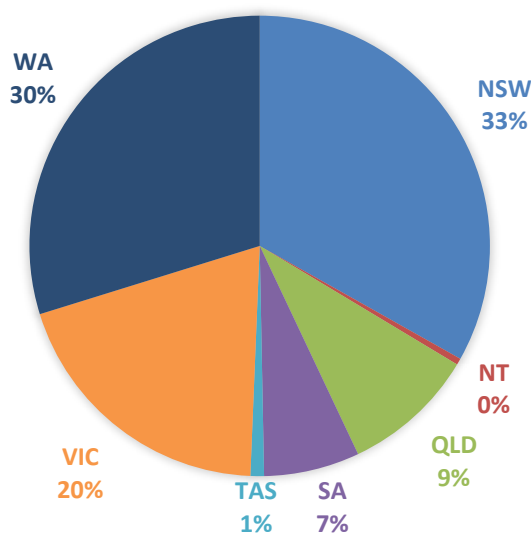


Figure 2 illustrates the breakdown of collective turnover for the FY2018/19 by State and Territory. Despite having only 11% of the Top 100 CMEs, WA accounted for 30% of the combined turnover, whereas NSW with 43% of the businesses accounted for 33% of total turnover. This reflects the presence in WA of several large CMEs, including the CBH Group, HBF Health Ltd, Capricorn Society Ltd and the RACWA.

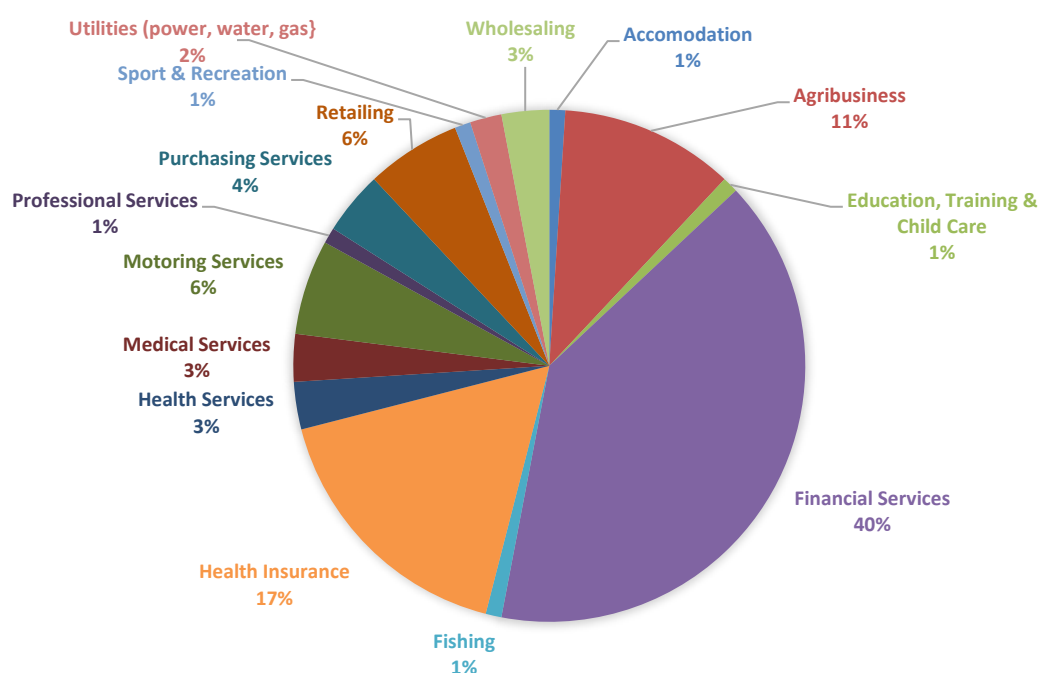
FIGURE 2: TOP 100 CME TURNOVER BY STATE AND TERRITORY



DISTRIBUTION OF THE TOP 100 CMEs BY INDUSTRY

Figure 3 shows the distribution of the Top 100 CMEs by industry. These firms represent a wide range of industry sectors although the largest concentration (40%) was found within the financial services sector. This includes the customer owned banks, credit unions, friendly societies and building societies. The second largest concentration (17%) was in private health insurance (PHI), where there were many PHI mutual funds. The third largest concentration (11%) was in the agribusiness sector. Here were a mixture of producer co-operatives encompassing storage, handling and processing of grains, milk, meat, fruit, berries, nuts, sugar, and cotton.

FIGURE 3: TOP 100 CME TURNOVER BY INDUSTRY SECTOR



The remaining sectors include only a few CMEs, with largest group being the six motoring services automobile clubs (e.g. RAC WA, NRMA, RACQ, RACV, RAA SA and RAC Tasmania). Despite their relatively small numbers, such firms have significant annual turnover and large memberships, with a range of services that reach out beyond their original focus on the provision of roadside mobile services, support, and advocacy for automobile owners. Now they provide automotive and general insurance, travel advisory and even banking.

FINANCIAL PERFORMANCE OF TOP 100 CMEs

The combined annual turnover for the Top 100 Australian CMEs (excluding the member owned superannuation funds) for FY2018/19 was \$33.9 billion with combined assets of around \$185.7 billion. Table 3 provides a summary of the financial performance of the Top 100 CMEs over the past five financial years. As shown, annual gross turnover grew by an average annual growth of 6.1%, while gross assets grew at an average annual rate of 8.4% over the same period. However, despite the growth rate of the gross annual turnover and assets, the results for the mean (average) figures across the Top 100 CMEs were less impressive. As Table 3 shows, the mean average annual rate of turnover over the five-year period was only 1.9%. Average annual rates of growth in EBIT and NPAT were negative, the average annual rate of Asset growth within the Top 100 was modest (2.7%), and the rate of liabilities growth was 4% with the growth rates of equity also subdued (2%).

TABLE 3: TOP 100 AUSTRALIAN CMES FINANCIAL PERFORMANCE FY2014/15-FY2018/19

	FY2018/19	FY2017/18	FY2016/17	FY2015/16	FY2014/15	AAR % ³
Annual Turnover (gross)	\$33,889,501,308	\$31,222,811,415	\$29,503,090,186	\$27,206,625,932	\$26,793,910,611	6.1%
Assets (gross)	\$185,684,253,164	\$173,194,142,720	\$162,634,934,950	\$146,129,806,425	\$134,645,296,047	8.4%
Annual Turnover (mean)	\$338,895,013	\$321,884,654	\$320,685,763	\$298,973,911	\$315,222,478	1.9%
EBIT ¹ (mean)	\$16,243,104	\$19,717,740	\$20,727,300	\$15,803,347	\$23,949,169	- 6%
NPAT ² (mean)	\$12,632,912	\$16,269,667	\$16,779,790	\$12,821,432	\$20,131,893	-8%
Assets (mean)	\$1,975,364,395	\$1,823,096,239	\$1,827,358,820	\$1,641,907,937	\$1,795,270,614	2.7%
Liabilities (mean)	\$1,686,800,237	\$1,543,648,670	\$1,544,404,337	\$1,372,139,903	\$1,448,000,131	4.1%
Equity (mean)	\$306,628,016	\$300,065,090	\$283,011,659	\$260,427,238	\$285,270,280	2.0%

¹ EBIT = Earnings before interest and tax. ² NPAT = Net profit after tax. ³ AAR = Average Annual Rate of growth.

Figures 4 and 5 illustrate the trend in gross annual turnover and assets (Figure 4) and mean annual turnover and assets growth (Figure 5). As illustrated in Figure 4, the five-year trend was generally positive in terms of the growth in total assets and gross annual turnover.

FIGURE 4: TOP 100 CME ANNUAL (GROSS) TURNOVER AND ASSETS FIVE YEAR TREND

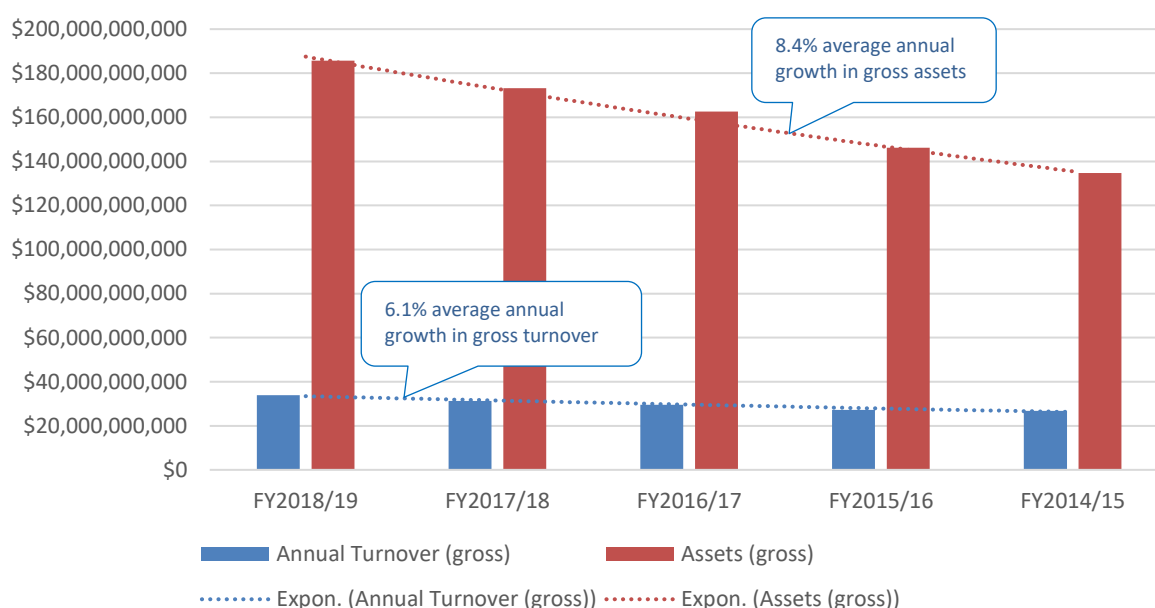
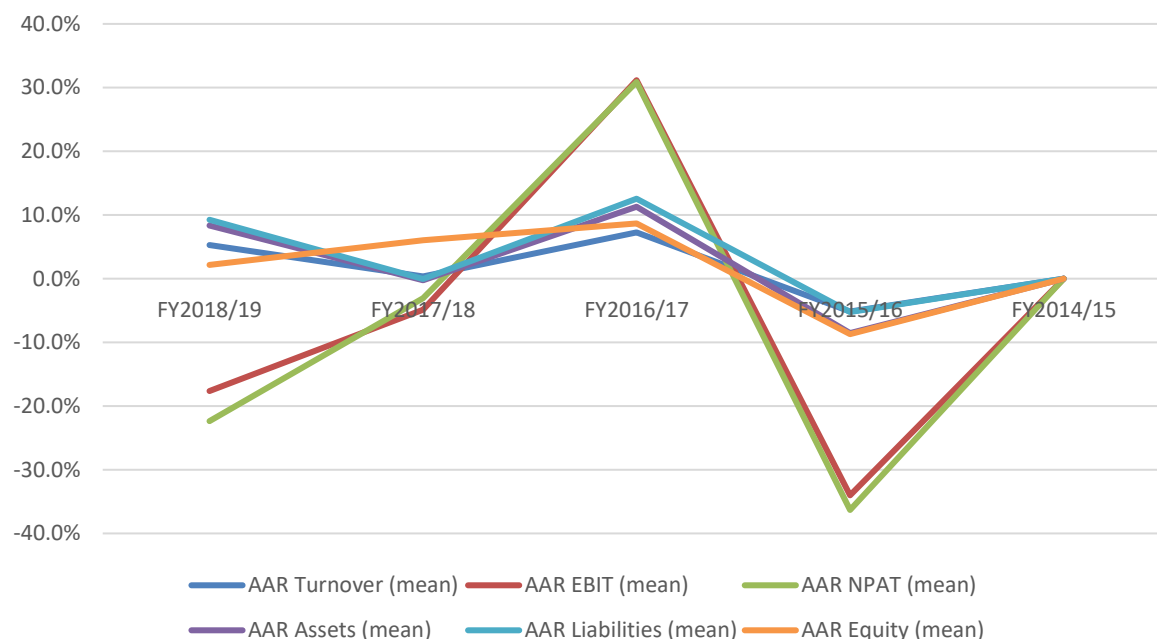


Figure 5 illustrates the five-year annual average rates of growth for the key financial indicators for the Top 100 CMEs. As can be seen, starting from the base-year of FY2014/15, most indicators grew at a steady rate, but there was significant volatility in average annual rates of profit (both EBIT and NPAT). FY2015/16 was a difficult year, and an examination of the company level data shows several firms (e.g. in health insurance, retailing, utilities, and financial services) that experienced losses during that period. Despite an increase in profitability during FY2016/17, the trend continued downwards for the following two years. There were significant falls in profit reported across many sectors, particularly agribusiness (e.g. CBH Group, Mackay Sugar Co-operative²).

² Mackay Sugar Co-operative was sold to German sugar company Nordzucker in August 2019.

FIGURE 5: TOP 100 CME ANNUAL AVERAGE GROWTH RATES OF FINANCIAL INDICATORS FIVE YEAR TREND



Analysis of the Top 100 across four of the largest sectors, agribusiness, financial services, health insurance and motoring services was undertaken using median rather than mean scores to examine annual average trends.³ The results are shown in Table 4 where the annual average median turnover across the five-year period was around 11% for the agribusiness sector and less than 10% across the other sectors. Profitability was negative or marginal across all four sectors for both EBIT and NPAT, with the agribusiness sector the most severely affected. Liabilities had also risen, and equity had grown, with a strong growth in assets and equity in agribusiness.

TABLE 4: ANNUAL AVERAGE MEDIAN FINANCIAL TRENDS BY SECTOR FY2014/15-FY2018/19

Sector	AAR Turnover (median)	AAR EBIT (median)	AAR NPAT (median)	AAR Assets (median)	AAR Liabilities (median)	AAR Equity (median)
Agribusiness	11.14%	-11.41%	-17.94%	35.64%	18.22%	14.27%
Financial Services	2.70%	0.28%	-2.93%	2.02%	3.52%	2.39%
Health Insurance	8.13%	-1.59%	-1.59%	4.88%	0.30%	2.26%
Motoring Services	7.78%	-6.49%	-7.29%	6.25%	10.73%	4.89%
Overall average four sectors	7.44%	-4.80%	-7.44%	12.20%	8.19%	5.95%
AAR Top 100 (median)	-1.0%	-9.0%	-9.6%	-9.9%	-10.6%	-2.1%

While median scores display a less severe trend to the mean scores, the overall picture is similar. It reflects a negative trend in profitability, not only the four selected industry sectors, but the overall CME sector. This does not suggest that all CMEs were experiencing these trends. However, enough large firms have experienced significant declines in profitability to impact the results. Although not included in the data for this year's list of Top 100 CMEs, over the five year time period, the sector has lost such firms as the former dairy processor Murray Goulburn Co-operative that was the second largest CME by turnover (demutualised in 2018), Mackay Sugar (sold in 2019), and the University Bookshop (liquidated in 2020).

³ Median scores were used rather than mean scores to reduce the effects of skewed data caused by high standard deviations.

FINANCIAL PERFORMANCE OF THE MEMBER OWNED SUPER FUNDS

The 38 member-owned industry superannuation funds had a combined annual gross turnover of just over \$63.2 billion and combined assets of \$864 billion.

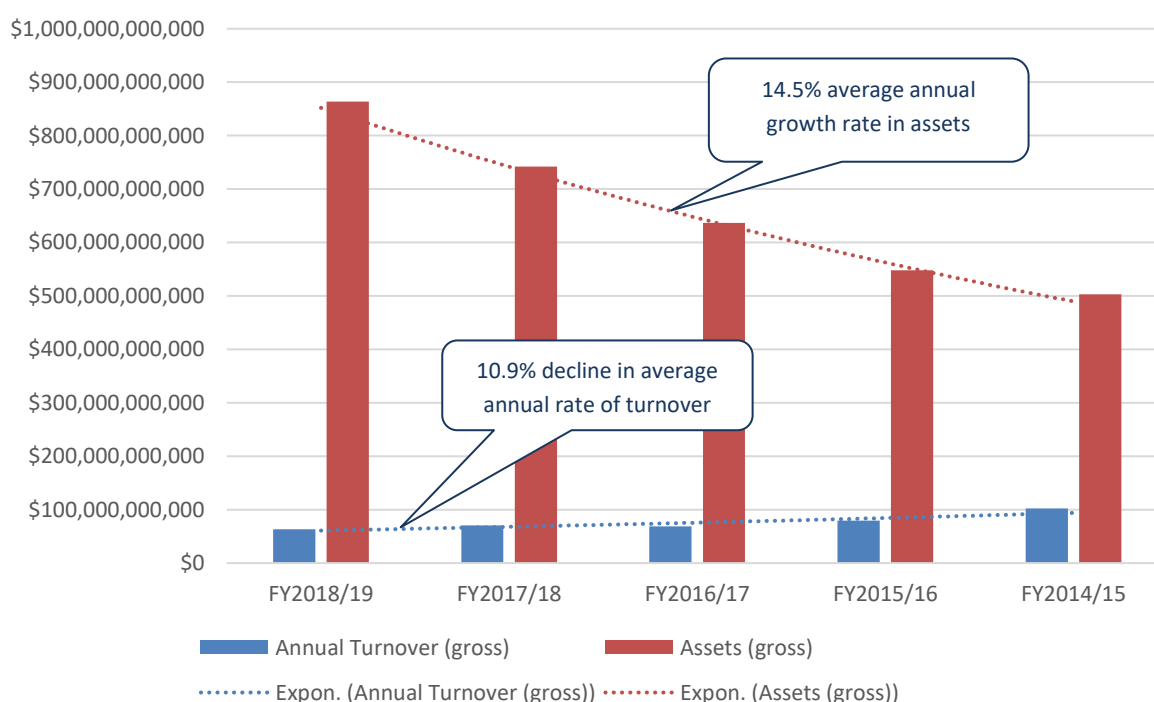
TABLE 5: MEMBER-OWNED SUPER FUNDS FINANCIAL PERFORMANCE FY2014/15-FY2018/19

	FY2018/19	FY2017/18	FY2016/17	FY2015/16	FY2014/15	AAR% ³
Annual Turnover (gross)	\$63,204,222,388	\$70,304,914,405	\$68,748,259,012	\$79,325,659,461	\$102,382,849,121	-10.9%
Assets (gross)	\$863,977,480,068	\$741,853,952,073	\$636,520,686,105	\$548,044,561,618	\$503,068,268,576	14.5%
Annual Turnover (mean)	\$1,663,269,010	\$1,714,754,010	\$1,676,786,805	\$1,934,772,182	\$2,497,142,661	-9.1%
AABT ¹ (mean)	\$1,545,929,048	\$1,582,744,522	\$1,205,391,086	\$1,520,652,459	\$2,581,779,480	-8.2%
ABAT ² (mean)	\$1,466,782,480	\$1,498,511,980	\$1,099,036,168	\$1,411,669,143	\$2,303,538,035	-6.7%
Assets (mean)	\$22,736,249,475	\$18,093,998,831	\$15,913,017,153	\$13,366,940,527	\$12,269,957,770	16.8%
Liabilities (mean)	\$776,581,276	\$555,433,560	\$455,855,955	\$518,334,989	\$445,646,642	16.5%
Equity (mean)	\$21,959,668,199	\$17,430,884,551	\$15,459,380,722	\$12,890,428,365	\$11,780,557,651	73.0%

¹ AABT = allocation of benefits before tax. ² ABAT = allocation of benefits after tax. ³ AAR % = Average Annual Growth Rate.

As outlined in Table 5 and Figure 6, assets grew strongly over the period, but annual turnover declined by 10.9%. This followed the same trend as found in the 2019 ACMEI report. It is also worth noting that the profitability figures (e.g. AABT and ABAT) were also showing negative trends, which was a pattern also reported in last year's study.

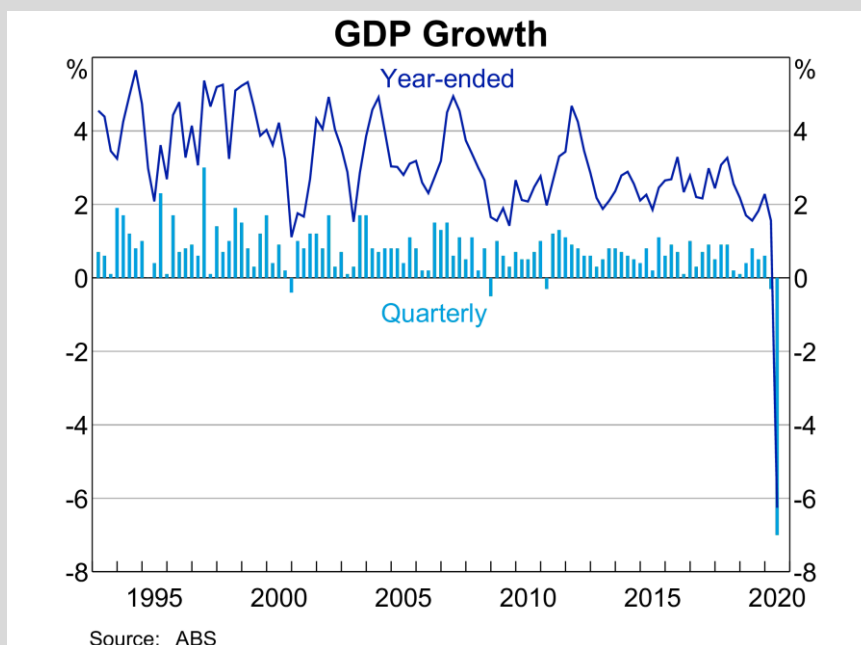
FIGURE 6: SUPER FUNDS' ANNUAL (GROSS) TURNOVER AND ASSETS FIVE YEAR TREND



OBSERVATION

These financial statistics from the largest CMEs and their member owned industry superannuation funds follow a similar trend to that reported in last year's ACMEI report. This shows a slowing down of turnover, negative trends in both gross and net profitability, and a rise in liabilities. All sectors appear to have been affected and the key positive trend is the rise in assets.

As noted in the ACMEI report from 2019, this trend reflects what has been an overall economic slowdown across the Australian economy. This trend is illustrated by the chart below, which shows steadily declining GDP Growth over the past 25 years, with a consistent decrease following the Global Financial Crisis (GFC) of 2008-2009 that despite the resources boom, which peaked in FY2012/13, returned to a steady downward trend from FY2014/15 and was in further decline prior to the impact of the COVID19 pandemic of 2020. Since that time, the Australian economy has experienced the most severe contraction since the last century and is now operating in increasingly uncertain global economic conditions.



During the second quarter of 2020, the Australian economy shrank by 6.3% (year on year) and was the deepest economic downturn on record. The outlook for the Australian economy for the remainder of 2020 is forecast to be negative 6%, but will begin to show a steady recovery with GDP growth estimated to be around 2.3% in 2021 and 2.5% in 2022 (Trading Economics, 2020).

Australia's CMEs are not immune from such economic downturns and many, such as those in export sectors, will also experience challenges as market access is impacted by rising competition, or trade restrictions caused by the COVID-19 pandemic or trade sanctions. Despite these pressures, CMEs that focus on their members' long-term interests, retain the loyalty of their members, and manage their business operations prudently, have an excellent chance of weathering these storms.

For those seeking a message of resilience and adaptability the Cobargo Co-operative Society case study reported later in this document should offer a source of inspiration.

THE CONTRIBUTION OF THE CME SECTOR TO THE AUSTRALIAN ECONOMY

The contribution of the CME sector to the national economy must be assessed using both economic and social capital measures. Collecting data on these metrics within the Australian CME sector is challenging for several reasons. First, many of these businesses do not publicly disseminate their annual reports, which makes it difficult to obtain reliable data for each year. Second, even where such data is available, many CMEs don't report via the financial yearly cycle, so all financial data used in this research is lagged by 12 months. It has been taken from the FY2018/2019 annual reports.

In addition to these issues associated with the collection of financial data, it is equally challenging to secure complete data on the social metrics. This includes the number of members, people employed and specific data on gender balance or other social diversity metrics. For this year's report we have collected such data from a sizable sample of firms, and this offers some insights into these areas. However, some caution must be taken when extrapolating the findings for the total population.

Reliable financial data was available for 591 (29%) of the total number of active CMEs. Employment data was available for 479 firms (23%), and membership data for 184 firms (9%). Such data is difficult to collect as most CMEs don't report these statistics in their annual reports, and many consider the release of membership data as a potential breach of commercial-in-confidence information as it is perceived to grant competitors an indicator of the firm's growth, decline and market share positioning.

ECONOMIC CONTRIBUTION

Assessing the overall economic contribution of the CME sector to the national economy is problematic due to the lack of sufficient financial data to provide any definitive findings. However, as noted above, the ACMEI database has financial data for 29% of the total 2,040 active firms in this year's assessment. This data allows a reliable estimate of around \$100 billion in annual turnover, and over \$1,067 billion in assets within the sector.

To make a meaningful comparison of how the CME sector contributes to the national economy it is worth considering that there are around 2.3 million active businesses in Australia. However, 1.4 million of these firms are non-employing nano-enterprises that are operated by individuals across a wide range of industry sectors. As such, 61% of all businesses are non-employing nano-enterprises. A further 38% of all businesses are small to medium enterprises (SMEs), with between 1 and 199 employees. These SMEs represent around 98% of all the employing businesses and provide 68% to 70% of the total jobs in the economy (ASBFEO, 2017; AI Group, 2017).

It is also worth noting that large firms (e.g. with more than 200 employees) comprise only 0.2% of all businesses in Australia, and in 2017 only 140,834 firms, or 7% of all businesses turned over more than \$2 million (ASBFEO, 2017). Of the remaining firms, 33% had turnovers between \$200,000 and \$2 million, 34% turnovers from \$50,000 to \$200,000, and 26% turnovers below \$50,000 (AI Group, 2017).

At least 373 CMEs have been identified as turning over more than \$2 million in FY2018/19, which suggests that the proportion of such large enterprises within the total pool of 2,040 active CMEs is about 18%. The reliability of the available financial data for the remaining 1,667 CMEs is insufficient to provide a detailed breakdown for all firms. However, there appears to be a much higher proportion of firms with larger turnovers than is typical within the wider economy.

It is also important to recognise that within many industry sectors, CMEs are significant players. This includes the member-owned "industry" superannuation funds, the private health insurance mutual funds, agribusiness, and financial services (e.g. banking and insurance).

MEMBERSHIP AND EMPLOYMENT

Reliable data on memberships was only available for 208 out of the total 2,040 firms. This is not something that is readily shared by most CMEs. However, this small (10%) sample, comprises many of the largest firms. The total combined memberships of these firms were 28,748,142.

TABLE 6: EMPLOYMENT WITHIN AUSTRALIAN CO-OPERATIVE AND MUTUAL ENTERPRISES 2020

Type	Female	Male	Not specified	Total
Full-time employees	17,996	15,894	13,476	47,366
Part-time employees	14,037	3,533	4,903	22,473
Total	32,033	19,427	18,379	69,839

In relation to employment, reliable data could be found for 479 firms. As summarized in Table 6, there were a total of 69,839 employees recorded across these firms, of which almost half (46%) were female, with a high proportion comprising the part-time workforce.

BOARDS OF DIRECTORS

Gender diversity on the boards of these CMEs was also examined and reliable data was obtained from 447 firms. The average number of board directors was 8 persons, with a total of 3,407 people serving as company directors of CMEs in Australia in 2020. Of these directors, 43% were females and 56% were males. A total of 318 CMEs reported having at least one independent director on their boards. With the average of 1 independent director and a maximum of 7 independent directors.

OBSERVATION

Although the CME sector is relatively small it is well-represented in many industry sectors and its contributions to the national economy are significant. CMEs traditionally provide services in industries or locations where alternative business models cannot or will not operate. This is the case for the Australian CME sector. An example of this is the member-owned industry superannuation funds.

The Industry Superannuation Funds comprise a significant (25%) share of the total national superannuation market, with Australian Super being the largest with (6.4%) share of total revenue. As noted in the financial data described above, the industry super funds have experienced declines in both turnover and profitability.

However, this is a pattern experienced across the entire superannuation sector and the COVID-19 pandemic has only worsened this since the start of 2020, with super funds reporting investment losses of more than \$200 billion during the March Quarter 2020. The total number of funds also declined over the past five years and this decline is expected to continue over the next five years, with mergers (Wu, 2020).

The industry super funds were recognised by the Financial Services Royal Commission as offering superior performance and value to their members when compared to the investor owned retail funds. They are also known for their lower fees and charges, made possible due to their not-for-profit business model, and strong commitment to their members. Over the past five years these funds have also generally outperformed most other types of super fund (e.g. retail, public and small funds). This has attracted significant inflows of members to these funds at the expense of the retail funds (Wu, 2020).

ABORIGINAL AND TORRES STRAIT ISLANDER CMEs

There are 224 CMEs that are owned and operated by Aboriginal and Torres Straits Islanders (ATSI) community groups. This represents around 11% of the total. Co-operatives comprise 36% of these firms, with the remainder (64%) being mutual enterprises. As shown in Figure 8 these ATSI community CMEs are distributed across all states and territories, with the largest concentrations found in NSW (30%), Queensland (24%), Victoria (18%), the Northern Territory (13%) and Western Australia (9%). The high proportion of such CMEs in the Northern Territory, and Queensland reflects the large number of regional and remote Aboriginal communities in these areas.

FIGURE 8: ABORIGINAL AND TORRES STRAIT ISLANDER CMEs BY STATE AND TERRITORY

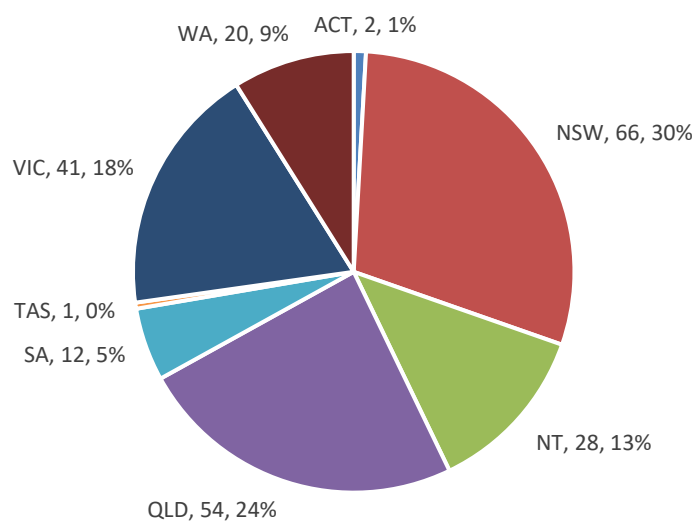
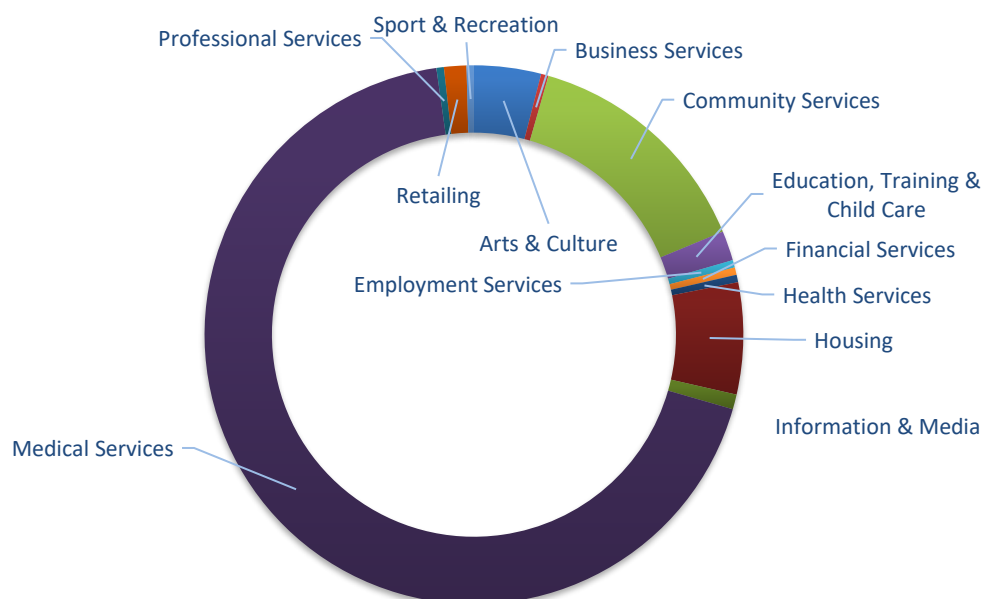


FIGURE 9: ABORIGINAL AND TORRES STRAIT ISLANDER CMEs BY INDUSTRY



As illustrated in Figure 9, the ATSI CMEs can be found in a wide-range of industries. However, the majority (68%) found in the medical services sector, followed by community services (14%), housing (7%), arts and culture (4%), education, training, and childcare (2%), then a range of other sectors. However, there is a considerable overlap within these enterprises as they seek to provide a holistic approach to the service of their communities. The majority are non-distributing (not-for-profit) entities, and many are ACNC registered charities.

Four ATSI businesses were listed in the Top 100 CMEs list for 2020, these are:

- Arnhem Land Progress Aboriginal Corporation [NT] – \$101,244,297 annual turnover.
- Institute for Urban Indigenous Health Ltd. [QLD] – \$88,650,000 annual turnover.
- Victorian Aboriginal Child Care Agency Co-operative Ltd [VIC] – \$58,619,881 annual turnover.
- Central Australian Aboriginal Congress Aboriginal Corporation [NT] – \$52,047,961 annual turnover.
- Kimberley Aboriginal Medical Services Ltd [WA] – \$45,146,007 annual turnover.

CASE STUDY: COBARGO CO-OPERATIVE – COMMUNITY OWNED FOR 120 YEARS

Founded in 1901, the Cobargo Co-operative Society Ltd. (CCS) is a community-owned enterprise that originated as a dairy (butter) producer co-operative but evolved into a consumer co-operative servicing the needs of the regional community of Cobargo. In 2020, the co-operative had around 1,200 active members, and an annual turnover of around \$4.1 million.



The town of Cobargo is located within the Bega Valley Shire on the south coast of New South Wales (NSW) off the Princes Highway, approximately 286 kilometres (km) from Sydney. It lies 42 km north of the main regional centre of Bega, and approximately 19.4 km from the coastal township of Bermagui. Cobargo provides retailing and other services to adjacent communities of Coolangolite, Wandella, Yowrie and Dignam's Creek.

Over the preceding 120 years the co-operative has experienced many challenges, comprising floods, fires, wars, economic recessions and changes to industry structure and government regulations. Despite this the CCS has survived and adapted. This is illustrated by the horrific bushfires that swept through the town and surrounding region over Christmas-New Year 2019-2020 significantly impacting the community and the co-operative, with a decline of members as many people left the area. However, the board and management of the CCS have demonstrated their resilience by increasing their profit, and now look forward to a brighter future.

BACKGROUND AND EARLY HISTORY

From a topographical perspective, the Bega district comprises a narrow coastal plain, which lies at the base of a heavily forested steep mountainous escarpment. A series of river valleys and creeks run from the mountains down to the Pacific Ocean, providing fertile soils and reasonably level land areas suitable for cultivation and human habitation. Cobargo is located on the junction of the Narira Creek, which flows down into the Wallaga Lake on the coast north of Bermagui, and several other creeks (e.g. Marrabrine Creek).

Human habitation within the area can be traced back at least 21,000 years based on archaeological research (Taulau, 1997), and the Aboriginal Yuin people were known to have occupied the area prior to British occupation (Byrne, 1983). The first European settlers did not enter the region until the 1820s, with the arrival of William Duggan Tarlinton (aka Tarlington), who explored the country from Braidwood to Cobargo in 1829 with the assistance of local Aboriginal guides. His discovery of the fertile river valleys, and their potential for agriculture

and pastoral activity in this high rainfall area, attracted others who began to settle in the area during the 1830s (Scott, 1999).

EARLY LAND USE AND EMERGENCE OF DAIRY FARMING

Initial land use was focused on cattle and sheep grazing, which predominated throughout the 1840s. Amongst the settlers was Mr W. D. Tarlinton, who in 1851, moved his family from their farm near Braidwood on the Southern Tablelands, to Bredbatoura, named after a local creek, close to where Cobargo is today. That same year the town of Bega was established, and throughout the following half century the influx of settlers increased the population within the area. Of particular importance was the passage of the Robertson Land Act, 1860, which provided ownership rights to the “squatters” who had moved into the area as well as attracting new “free selectors” into the area (Sydney Morning Herald, 1860).

These settlers progressively cleared much of the forests, and gradually replaced merino sheep for wool production, with dairy cattle. By the 1880s, the dairy industry had become established, with a focus on butter and cheese production. Again W. D. Tarlinton was recognised as a pioneer in the development of this industry, having invested in dairy farming during the early 1870s (Bayley, 1946).

The production and supply of milk, butter, and cheese from the Bega region for the Sydney and export markets grew steadily throughout the 1880s and 1890s, which led to the establishment of dairy companies operating creameries, butter, and cheese factories. By 1899 the NSW Creamery Butter Company (est. 1894), was operating a series of three factories at Bega, Mogilla and Cobargo, with another 14 auxiliary creameries available for overload. During a “good season” these factories could produce around 20 tons of butter and 8 tons of cheese per week (Bayley, 1942).

During the mid-1880s, new technologies were introduced into the region that significantly enhanced the productivity of the dairy industry. These included the cream separator, refrigeration, and the Babcock tester, the last of which was a centrifuge mechanism designed by Stephen M. Babcock from the University of Wisconsin-Madison, to separate the milk solids (fats) from the water so as to assess the quality of the milk (Wood, 2009). This ensured that farmers who supplied the dairies were able to be paid fairly for their milk, whilst ensuring the quality of the milk supplied (Scott, 1999).

It was during this time that the dairy farmers began to recognise the value of co-operative businesses to gain more control and ownership over their supply and distribution channels. The first dairy co-operative in the area appears to have been the South Wolumla Co-operative Creamery, founded in 1893 (Southern Record, 1923). By the end of the 19th Century the number of dairy co-operatives had grown, replacing the investor owned proprietary businesses within the Bega area (Scott, 1999).

FOUNDATION YEARS: 1830-1900

The town of Cobargo has its origins in the influx of settlers that commenced in the 1830s. The town reportedly takes its name from the pastoral station owned by the Imlay brothers, Peter and Alexander, who, along with their brother George, were all surgeons in the British Army or Navy, and who migrated to Australia in the 1820s. They operated whaling and pastoral businesses within the Bega district, including a substantial pastoral lease from 1840, named “Cobargo”, where the current town is located (Thornton, 1951). This name is understood to have been based on the Aboriginal Yuin word “cubago” that may have referred to Mount Dromedary near Bermagui (Aussie Towns, 2020).

By the 1860s the township of Cobargo, also known as “The Junction”, due to its location at the intersection of several creeks, had taken shape. A school was established in 1871 and this was quickly followed by the opening of a post office, general store, hotel, church, and blacksmith’s workshops. As the community expanded, during the 1880s and 1890s the road infrastructure was upgraded along with the social, cultural, and commercial activities. This included the opening of a School of Arts (1887), the establishment of a Cobargo Agricultural Show (1889), and building of a new Post Office (1890), and then a Roman Catholic church (1898) that was built on land donated by the Tarlinton family (Cobargo Chronicle, 1941a). The School of Arts is a prominent timber building that was used regularly by the co-operative for its annual general meetings (AGMs). The building, which survives to the present, is now called the “Cobargo Hall”, and is located at 18-20 Bermagui Road, where it is still used for community events (Bega Valley Shire, 2020).



Cobargo School of Arts Hall (source: Bega Shire Council)

In 1890, the town was sufficiently large enough to warrant the establishment of its own newspaper, “The Cobargo Watch”, founded by the local chemist Mr J. J. O’Reilly and a Mr F. Stennoll, the latter of which described the focus of the paper as being “thoroughly Protectionist” (Australian Star, 1890). A branch of the Bank of New South Wales was also opened in the town in 1903 (Sydney Morning Herald, 1903).

FOUNDATION OF THE CO-OPERATIVE

As noted above, the Cobargo District Co-operative Creamery Butter Society Ltd. was established in 1901, with the active participation of pioneering farmers such as the Tarlinton family. In fact, the Tarlinton family were amongst the most prominent dairy producers in the district and active members and directors of the co-operative during its formation and early years. For example, at the 1903 Cobargo Show, the quality of the Holstein milking cows were noted as being, “great milkers, and seem to be rather the friend of the cheese maker than the butter factory” (Cobargo Chronicle, 1903, p. 2). Although that was changing and Mr T. J. Tarlinton of Bredbatoura Estate had won a blue ribbon for his “champion dairy bull”, and Messrs. Thoe Tarlinton and Jas Tarlinton had separately taken off prizes for their “fat cows” and “dairy heifers” (Cobargo Chronicle, 1903, p. 2).

An initial 50 members signed up to establish the co-operative, motivated by a common need to find an outlet for their dairy produce. At the time it was common for the farmers to separate the cream from the raw milk, keeping milk for feeding pigs, and sending the cream to the butter factory operated in Cobargo by the NSW Creamery Butter Company. Most herds were comprised of Jersey cows.

EARLY GROWTH: 1901-1914

By 1904 the co-operative's Chairman Mr F. G. Roberts reported to the AGM the progress that had been made since the establishment of the enterprise and in particular its butter factory. He declared that the co-operative had significantly reduced the size of its overdraft to the bank from £1,952 to £455, and that the new factory, which had cost £2,716 to construct, would soon be free of debt. He also noted that the co-operative's membership had risen from 2,000 to 2,110 shareholders over the previous year, which he stated might not seem a particularly large increase, but given that almost all dairy farmers in the region were now members of at least one co-operative, the new membership numbers were impressive. It was also noted that the dairy had a good manager Mr Roden, and that the co-operative was exporting butter to Britain for good prices (Cobargo Chronicle, 1904).



Cobargo butter factory 1910 (source Cobargo Co-operative Society Ltd)

THE ROYAL COMMISSION AFFAIR

This relative success of the co-operative was not without its tensions. For example, in March 1905, an extraordinary AGM was held to consider closing the membership to new shareholders, reducing the number of directors from seven to five, and paying the directors for their time. This resulted in a resolution to close the co-operative to new members on 14 April of that year. However, the other two motions were more controversial and motivated by acrimonious public exchanges between members and the Chairman Roberts.

This AGM took place within the context of a Royal Commission into the butter industry that was being held at the time. This inquiry was reviewing the openness of markets, the grading, manufacture, storage, refrigeration, shipping, and payments to agents, including secret payments to directors and officials within the sector (Crowe, 1905). Accusations had been made by a Mr Fairbairn, presenting evidence to the Royal Commission in Melbourne, that the co-operative's Chairman Mr Roberts had accepted a bribe in his role as Chair. This related to an alleged conflict of interest whereby Mr Roberts was thought to be using his position to advantage the "Coastal Farmers" group who were a distributor of the co-operative's butter, with accusations from Mr Fairbairn that Mr Roberts had received a bribe to influence the co-operative in relation to marketing and distribution agreements (Kiama Independent, 1905).

A motion put at the AGM to remunerate the directors at a rate of £60 per annum for their future services to the co-operative was proposed by Mr John Whiffen and seconded by Mr J. Sawtell. However, an amended motion was proposed by Mr F. E. Rily, who suggested that as the co-operative was no longer significantly indebted to the bank, there should be no reason to pay directors an 'honorarium' of £100 for their past time spent in the

governance of the business. This motion was seconded by Mr P. Gannon. However, this amendment was ruled out of order and the original proposal was carried.

During the discussion over remuneration of directors the issue of Mr Fairbairn's accusations about Mr Roberts emerged. This led Mr Roberts to tell the meeting in relation to the proposal for payment of an honorarium, that neither he nor his fellow directors would seek payment for past services. He also noted in relation to the accusations being made against him by Mr Fairbairn that,

"... it had come to his ears that something had been said locally, and if any man present was in a position to give him information he would take the necessary steps to clear his character" (Cobargo Chronicle, 1905, p. 2).

In saying this Mr Roberts noted that he had lived in the district for 28 years and if anyone could provide him with evidence of him having acted dishonestly in that time he would "make him a present of all he was worth". He appealed for any information about these charges of bribery to be openly declared so that he could get to the bottom of them.

Following this drama, Mr Thomas Allen moved that a vote of confidence be made in favour of Mr Roberts as Chair, and this was seconded by Mr T. J. Tarlinton. In doing so Mr Tarlinton said that:

"He had known the chairman for many years and had always found him honourable and straightforward. And he knew that to the general opinion. When in Sydney he was glad to be in a position to contradict the report, Mr Fairbairn had put about and mention the high esteem in which Mr Roberts was held by the whole community" (Cobargo Chronicle, 1905 p. 2).

The motion of confidence in Mr Roberts passed with "strong acclamation", and the Chairman was reported as showing "considerable emotion" when he acknowledged this expression of support the members gave him. Later that year, in October, Mr Roberts gave his own testimony to the Royal Commission in Sydney, where he refuted the accusations made by Mr Fairbairn and stated, under oath, that he had never taken any bribes, had no prior relationship with Fairbairn, and marketing agreements that the co-operative had with distributors at the time. This saw all the butter now sold locally within Crookwell and Goulburn, with no exports as the local markets generated better prices (Kiama Independent, 1905, p. 2).

EXPANSION OF THE CO-OPERATIVE

Despite these dramatic events the co-operative continued to progress in the years that followed. For example, in 1906 the co-operative was described in the local newspaper in the following terms:

"The Cobargo District Cooperative Creamery Butter Company Limited, is one of the newer institutions on the South Coast. It represents an expression of the co-operative spirit in a district formerly dominated by the proprietary butter maker. When the New South Wales Creamery Company was at the height of its optimism it planted a factory at Cobargo, and several creameries round about to feed it. After the lapse of some years the self-help feeling seized the farmers, and now the proprietary factory building is all that remains of the creamery company's elaborate plans. The co-operative centre is on a new site, further out of town. Eighty farmers supply cream to it. The average production of butter is five tons per week, last half year's total having reached 294,236 lb. (Bega Budget, 1906, p. 5)."

By 1908 the co-operative was producing around 47,880 lbs of butter a month and paying out over £1,090 to its supplier members (Farmer and Settler, 1908). The co-operative turned over more than £12,204 that year and distributed around £10,600 to members (Sydney Morning Herald, 1908). It marketed its butter under the brand names "Emu", "Cobargo" and "Narira". Boxes of tinned butter were transported by horse and cart to the port

at Bermagui where they were loaded onto coastal steam ships for carriage to Sydney or the United Kingdom (Bermagui Historical Society, 2020).

WAR, DEPRESSION AND CHANGE: 1914-1939

During the first half of the 20th Century the world experienced the challenges of the First and Second World Wars interspersed with the Great Depression. Despite these global crises, the agricultural sector, specifically dairying, continued to progress through the application of new technologies and farming practice. This took the form of increased use of silage for animal feed, and the use of enhanced storage through the construction of wooden and later concrete silos. Improvements in dairy herd management, as well as the introduction of Jersey cows as a superior milker from which to produce butter and cheese, also took place (Bayley, 1942; Codrington, 1979).

Automated milking machines were introduced in 1909, and milk pasteurisation was adopted in the Bega region's butter production in 1915. Improvements in refrigeration also made the export of butter and cheese to the United Kingdom possible, with growing production in the dairy industry taking place between the end of the First World War in 1918, and the start of the Second World War in 1939 (Scott, 1999).

WORLD WAR ONE

In 1915, at the amid the carnage of the First World War the co-operative continued to operate and within six months had produced over 337,009 lbs of butter, generated around £16,565 and distributed £14,667 to its member shareholders. At the half-yearly general meeting held in March, the Chairman Mr F. E. Rily, delivered the financial report stating that he felt the co-operative had "passed through a successful six months", and that the financial statements "spoke for themselves". He noted that the factory had achieved record production output and that all the equipment had been able to meet all the demands put upon it. Not only had the output of butter been at record levels, but the quality was also high, and so were the prices that it fetched in the market.

With reference to the war, Mr Rily suggested that the co-operative make a generous contribution to the War Food Fund, to help the brave Belgians who had suffered so much from German occupation. He noted that the Rabbit trappers had donated a day's catch, which resulted in a donation of £4,000. His suggestion was for the dairy to donate a day's milk supply. However, although there was general support for the motion, Mr F. W. Tarlinton, a Director, stated that any donation should be voluntary for each member as that was the only way the co-operative should operate. He expressed his support for the motion, and said that with respect to the members, "The war has put money into their pockets and they should help those who were fighting for them" (Cobargo Chronicle, 1915, p. 2). Despite this observation from Mr Tarlinton, the motion for each supplier's milk for one day to be donated to the War Food Fund passed without dissent.

CHANGES TO STATE LEGISLATION

Following the end of the First World War there was a significant change to state legislation governing co-operatives as both the federal and state governments sought to encourage the foundation and development of co-operatives as a mechanism for assisting returned service personnel to take up farming and leverage benefits of the co-operative enterprise to assist them with their farm business operations. The Cobargo District Co-operative Creamery Butter Society Ltd. had been originally registered under the *Companies Act, 1899* (NSW). However, the introduction of the *Co-operative, Community Settlement, and Credit Act, 1923* (NSW) saw the co-operative re-register under this new legislation (Government Gazette, 1924).

This change of registration by the co-operative was made necessary because with the introduction of the new legislation the co-operative status of the existing co-operative entities was placed in legal limbo. Use of the term "co-operative" in their company names while operating under the former *Companies Act, 1899* (NSW), was now no longer possible. As a result, there was a rush by established co-operatives throughout NSW to register under

the new co-operatives legislation so as to allow them to continue to trade under the title “co-operative”, and use it in any marketing and branding. According to a report from that time in relation to the new co-operative law:

“The Act was passed to encourage co-operative effort, and to protect bona-fide co-operative organisations against the exploitation of those what were not truly co-operative in nature.

The administrators of the Act view with regret the fact that some of the dairy factory companies, which are essentially co-operative, should decide to remain outside the scope of the Act, and thus lose the privileges and protection afforded by it. Some of them which have until recently used, the word ‘co-operative’ as a portion of their name, have discontinued the use of that word, but seem to have overlooked the danger of offending against the section of the Act which provide that they must, not hold out that their trade or business is co-operative” (Northern Star, 1926, p. 3).

ROAD BUILDING AND THE BUTTER FACTORY FIRE

Cobargo and the entire Bega Valley region had experienced significant isolation due to the lack of reliable transport infrastructure, with heavy goods and freight, as well as export of butter and other products, having to be transported by coastal shipping. However, by the early 1920s Sydney and Melbourne were linked by regular motor freight services and reliable roads and railway infrastructure. Then in 1925, the construction of the Princes Highway commenced, which provided a reliable north-south link for Cobargo and other towns across the NSW South Coast (Foskett, 1955). The original butter factory burnt down in the 1920s and a new building was constructed in 1927 at the site 1464 Cobargo-Bermagui Road where it remains today in private ownership.



Cobargo 1920s (source: Bega District News)

SURVIVING THE GREAT DEPRESSION AND A NAME CHANGE

During the Great Depression, the co-operative continued to operate, although its members had suffered and at the AGM held in September 1933, the Chairman Mr F. E. Rily, noted that the co-operative, “had passed through the greatest period of depression the world had ever experienced”, with all nations including Australia and Britain affected, but he felt that things were now looking up. Prices were still at their lowest for 20 years, but supply was good, production was up, and both manufacturing and marketing costs were “very satisfactory” (Cobargo Chronicle, 1933).

Earlier, in June 1931, the co-operative changed its name from The Cobargo District Co-operative Creamery Butter Society Ltd., to The Cobargo District Creamery Butter Company Ltd., presumably to emphasize the business nature of the enterprise (Government Gazette, 1931). It had also been commonly referred to as a “company” rather than a “society” in the media reports for many years following its foundation. Despite the depression, the

co-operative continued to produce high quality butter, which won prizes in the Orient Steam Navigation Company's export butter competition (Northern Star, 1932).

CHANGES TO GOVERNANCE AND SHARE DISTRIBUTION

As the 1930s ended and the likelihood of a second world war loomed, the co-operative busied itself with matters of governance. For example, a special general meeting of shareholders was held at the Cobargo School of Arts hall on 28 November 1938 to discuss and vote on changes to the company's rules. This had been motivated by changes to the *Co-operative, Community Settlement, and Credit Act, 1923* (NSW), with the introduction of a set of "Model Rules for a Co-operative Society", which had been promulgated in November 1929, adopted by the co-operative, but subject to amendments in 1933.

The key issues that were examined were the organisation's name, business address, the objectives of the co-operative, the size of the board, the voting rights of members, plus the board's powers make deductions from members' accounts, and how to deal with share capital upon the event of a member's death. Of particular importance was the board's authority to distribute and manage member share capital and distributions. This resolved:

"The Board may make deductions from amounts due to Members and may allot share in respect of such deductions in the manner and subject to the condition prescribed by Section 47A of the Act as added by Section 2 of the Co-operation (Amendment) Act 1931. ... On the death of a member the Board may purchase his shares and pay the amount of the purchase money to the nominee or if there is no such Nominee, to the Executor or Administrator. The value of the shares for such purchase shall be such as is agreed upon between the Board and the person to whom it is to be paid" (Cobargo Chronicle, 1938, p. 4).

It was also agreed that there should be only five directors on the board, with directors retiring by rotation of two or three to preserve board stability. All member voting decisions were to be maintained on the democratic basis of one-member-one-vote.

THE CHALLENGES OF A GLOBAL WAR: 1939-1945

At the start of the Second World War the co-operative was reporting butter production of around 228 tons for the half-year ending December 1938, which was a slight reduction of around 17,524 lbs when compared with the start of that year. Members were paid rebates of more than £27,519 for the period, slightly less than the £28,003 paid in the previous period. The co-operative had also exported some 4,194 boxes of butter to London. There was also concern over the rising cost of petrol for keeping the factory and transport fleet operating, as this had eroded profits. Nevertheless, there was an optimistic assessment that butter prices would soon rise, thereby enabling a return to profit. Slight increases in the cost of marketing and manufacturing were also noted. The Chairman Mr F. E. Rily, reassured member shareholders at the half-yearly general meeting held on 24 March 1939, that "all controllable expenses are carefully watched and kept well in hand" (Cobargo Chronicle, 1939). He also noted that quality was well maintained with premium or "choicest" butter production exceeding that of "second quality" product.

INVASION THREATS AND SUPPLY CHAIN PROBLEMS

By 1941, with the war reaching its peak, the co-operative continued to produce dairy products, and battle through both seasonal difficulties and the threat of Japanese invasion and disruption of shipping. At the AGM held in September of that year, the lack of shipping and refrigeration was noted, and the overseas situation was described as "far from favourable". However, there was a growing demand for cheese, which was "easier to handle" than butter, and the British Government had increased its cheese order for the year to 40,000 tons, as compared to the 20,000 tons ordered in the previous year (Cobargo Chronicle, 1941b).

The meeting was also told that factories with the capacity to product both butter and cheese were “in a much more favourable position”, and that tinned butter had been successfully shipped to Britain without incident, landing in “good order”. However, second grade butter remained “the bug-bear at present”. This was caused by poor quality water, faulty tinware and poor-quality cream that was supplied. Yet, the shareholder members were reassured that, “Board members were making the best use of the circumstances surrounding them and no sphere of action had been overlooked” (Cobargo Chronicle, 1941b).

There was also concern expressed over complaints by Australian soldiers that butter received via the military supply system sourced to the co-operative had been intermittent and found to be “rank and unfit for consumption” when the tins were opened. The Chairman Mr Rily noted that the co-operative had “forcibly” brought the matter to attention of the government and had been reassured by the Minister that the butter was being sent to the troops and that they were getting enough supply (Cobargo Chronicle, 1941b).

DROUGHT AND BUTTER RATIONING

In early 1943, the co-operative was impacted by drought, but this was followed with heavy rains, and a surge of milk supply that overtaxed the factory, forcing the board to temporarily cease the manufacturing of ice. Given that most homes and businesses relied on ice to keep perishable products fresh for long periods, the cessation of ice production was viewed as an essential service. The Chairman Mr Jas O’Meara expressed his regrets over this decision but outlined steps that would be taken to recommence supply of ice as soon as possible. Also, of concern, was the decision by the Australian Government to introduce the rationing of butter. It was noted that NSW was not producing sufficient butter to meet demand, and that supply had been drawn from Queensland.

There was disquiet expressed at a shareholder meeting held in April 1943, that the dairy sector was being treated by the government as a “slave industry” when compared to the beneficial treatment given to the grain growers. Shareholders pressed the board over pricing, storage, and a perception that there had been too many delays and “red tape hindering progress.” Mr O’Meara responded that the board had been doing its best under difficult circumstances, citing the difficult decision to cease ice production to allow more butter to be made. He also noted that when the co-operative had purchased a new engine for the factory, “the military grabbed it.” There was now a new compressor on order to help improve the factory’s refrigeration capacity, but he wondered if, “Maybe the military will step in on that also?” (Cobargo Chronicle, 1943a).

DIRECTORS’ REMUNERATION AND ACQUISITION OF TOWN LAND FOR OFFICE AND STORAGE

At the AGM held in October 1943, there was a robust discussion over the remuneration of the Directors, in particular the Chairman, who it was felt by some deserved more money other than the “out of pocket” reimbursements allowed under the current rules. There was some discussion over whether all Directors were earning their keep, with accusations that some had been absent for numerous meetings.

Also, of importance was the need to reduce the overhead costs of the co-operative by building a new office and storerooms at the factory site, to avoid the need to pay high rents for their existing facilities. Although there was sufficient land at the factory location to build, there was some opposition expressed on the grounds that the co-operative would be wiser to purchase land within the Cobargo township. This was a position expressed by Messrs Allan Blacka and Vic Tett, who argued that it was more convenient for members to go to the town for supplies, and that the land values within the town would rise over time. In addition, there was a feeling that it would help to boost the future of Cobargo which was “our town”. The meeting resolved that the board be tasked to examine the desirability of building at the factory or in the town (Cobargo Chronicle, 1943b).

As the war ended the co-operative continued to serve the needs of its members and produce butter and cheese of a high quality. For example, in the Butter and Cheese Awards given out during the Dairy Factory Managers’ and Secretaries’ Association (DFMSA) annual conference held in Sydney on May 1945, the co-operative took out

prizes for best box of salted butter, the local consumption NSW championship shield, and special aggregate judging prize for local consumption (Northern Star, 1945).

INDUSTRY RESTRUCTURE AND FACTORY CLOSURE: 1946-1979

In 1948 the co-operative also commenced supplying milk to the Streets Ice-Cream factory which opened that year at Moruya (Scone Advocate, 1948). There was also rivalry and some commercial competition between the dairy co-operatives within the Bega region, and across the state. At the time, all dairy co-operatives north of Sydney to the Queensland border were members of the Co-operative Dairy Association of NSW Ltd. There was a move to widen the Association's membership to include dairy co-operatives elsewhere in the state, with their factory production coordinated under a master plan (Macleay Chronicle, 1948).

In 1950 the co-operative was awarded the grand aggregate for butter classes at the annual DFMSA conference held in Sydney (Farmer and Settler, 1950). This winning formula continued during the following years with the co-operative being awarded the NSW Department of Agriculture's Certificate of Merit for the choicest grade butter in March 1955 surpassing Norco Co-operative and the Manning River Co-operative Dairy Society Ltd. Not only was Cobargo's butter superior, but it was also produced in greater volume (Farmer and Settler, 1955). Interestingly, four years earlier, in November 1951, the co-operative had again changed its name from Cobargo District Co-operative Creamery Butter Company Ltd., to the Cobargo Co-operative Society Ltd. (Government Gazette, 1951).

DAIRY INDUSTRY REFORM AND FEDERAL GOVERNMENT REGULATION

However, the 1950s was a period of change within the dairy industry and this included intensive farming practices designed to enhance milk production. These practices involved the cultivation and maintenance of the pastureland to improve the grasses, plus the application of superphosphate and spray irrigation. This enabled more cattle to be grazed on a given area of land and boosted the overall productivity and economic value of the dairy sector within the Bega Valley area (Scott, 1999).

Much of this investment in new farming practices was motivated by concerns that the Australian dairy industry was falling behind global trends. For example, at the annual DFMSA conference held in Sydney in May 1953, the General Manager of the Commonwealth Dairy Produce Equalisation Committee Ltd., Mr Chris Sheehy, warned that Australia may have to import its butter from New Zealand. He noted that local butter production was not keeping pace with growing demand as the population increased. Australia's immigration scheme was bringing around 300,000 more people into the country each year, with a forecast of over 11 million people living in the country within a decade. This would place severe pressure on dairy production. He stated that only Queensland, Victoria, and Tasmania were able to produce sufficient butter to satisfy their own needs and have a surplus for other states. With exports to Britain taking up a lot of production, any shortfall in local supply would need to come across the Tasman or export restrictions might be imposed (Daily Examiner, 1951).

Despite this progress, the industry faced significant challenges by the close of the decade. For example, in 1957 the prices for Australian butter exports to the United Kingdom were very low, and many industry analysts considered such exports as "completely unprofitable". Attempts to find alternative markets had been unsuccessful, and demand for butter within the Australian domestic market was growing, despite falling per capita consumption, due to rising population (Codrington, 1979). As a result of these challenges and the changes to production systems, herd structure, and market conditions, there was a significant restructuring of the dairy industry around the Bega Valley.

COMPETITION FROM BEGA

During the late 1950s the rival Bega Co-operative Society began to expand their operations, establishing a depot to distribute their milk in the Australian Capital Territory (ACT) in 1958, and the following year commenced the construction of a factory in Canberra to secure control over the milk supply to the ACT (Canberra Times, 1958; 1959). Discussions between the boards of the Bega and Cobargo dairy co-operatives took place during this period about a possible amalgamation, with the Bega directors stating that if Cobargo didn't voluntarily agree to the merger, they would come and take their members anyway (Tarlinton, 2020).

EARLY RETAIL OPERATIONS AND WATER SUPPLY FOR THE FACTORY

In this period the co-operative operated both its factory and a shopfront retail store within Cobargo from where they sold dairy products, hardware, and farmer supplies. This retail store was housed in a former Army "Nissen Hut", a prefabricated steel structure made from corrugated iron that looked like a half cylinder water tank on its side. June Tarlinton recalls the store in 1979:

"Back then most of the products sold were things like axes, shovels and manual tools. I can remember coming into the co-op when I moved to Cobargo, and it was that Nissen hut ... and it had everything from hay, to grass seeds, dog food and cat food. It just evolved, as all businesses do, and there was just one man working it. Although he didn't do any of the accounts, which were done by the co-operative (Tarlinton, 2020)."

Security of water supply for the butter factory was another issue that faced the co-operative during the 1950s and 1960s. For example, in 1952 the co-operative received a licence to locate a pump on the Narira and Murrabrine Creeks to provide water supply to the factory (Government Gazette, 1952). Sixteen years later, in 1968, the co-operative was granted a licence to build a dam and two additional pumps in the same area to further supply water to the factory (Government Gazette, 1968).

LOBBYING THE STATE GOVERNMENT

The co-operative was also actively engaged in lobbying the NSW State Government over the regulation of the dairy industry. In September 1964 they wrote to the Premier Mr Renshaw, requesting that the regulation and supervision of dairies be undertaken by the NSW Department of Agriculture rather than the local councils. However, the Premier expressed the view that dairy factory management was public health issue, not an agricultural issue. In this regard the local councils had the responsibility (Canberra Times, 1964).

ECONOMIC AND SOCIAL CHANGES TO COBARGO

The road infrastructure offered by the Princes Highway enabled locals to travel by motor car to larger towns for their shopping and recreation, bypassing the smaller towns and impacting their viability. This impacted Cobargo's population growth which had peaked at around 610 people in 1911 but had fallen to 280 people by 1979 (Codrington, 1979).

The 1970s was a challenging time for co-operatives in Cobargo. In 1971 the Cobargo Co-operative Credit Society Ltd was placed into liquidation, and formally deregistered the following year (Government Gazette, 1971; 1972). In the same year, the Australian dairy industry was receiving significant subsidies from the Federal Government to help support the struggling farmers. For example, in 1971, the co-operative received a \$145,000 subsidy for butter production, which was like the payments made to other dairy co-operatives in NSW (Canberra Times, 1971). Britain's entry into the European Economic Community (EEC), which commenced in the late 1960s and became complete by 1973, also impacted the export markets of Australian dairy producers, as it also did for their counterparts in New Zealand (Mazzarol & Clark, 2016).

FLOODS, DROUGHTS AND BUSHFIRES

Natural disasters were also taking a toll, with severe flooding in 1971, considered the worst since 1919. Droughts and fires also impacted the region. There had been severe droughts and bushfires in 1885, 1939-1940, 1944, and 1952. However, there were extended periods of drought from late 1978 through to March 1983, with severe wildfires in November 1980 that raged through the Bega area and the Dry/Murrah River catchment (Scott, 1999). Added to this was an increasing level of extended dry or erratic periods of rainfall that commenced in the mid-1960s and impacted dairy farming.

"The major constraint facing dairy farmers in the area is the somewhat erratic rainfall. The area has frequent periods of insufficient rainfall for pasture growth with major droughts having been experienced in 1965-68, 1979-83 and 1985-87. Of dairy farms on the South Coast, 64% have sprinkler irrigation systems to alleviate the impact of seasonal rainfall deficiencies" (Crichton et al 1989).

TRANSFORMATION OF THE DAIRY INDUSTRY

Between 1971 and 1989 the total number of dairy farms in the area declined by 57%, and the survivors were larger and more capital intensive. There was a transition from butter and cheese manufacturing to the production of liquid milk, primarily for the Sydney and Canberra markets (Scott, 1999).

The impact of declining dairy farming, industry restructuring, loss of export markets and drought placed the viability of the co-operative's dairy factory under a cloud. Butter production by 1980 had fallen by 31.5% over the previous year and there was a steady decline in cream supplies. These problems were impacting other small dairy co-operatives within the area. For example, the Bodalla Cheese factory had seen its production fall from a weekly output of 10 vats down to only 5 vats. Faced with this environment the Cobargo Co-operative Society made the difficult decision to cease its manufacture of butter and close its factory in 1980 (Enright, 1980).

June Tarlinton, the Chair of the Cobargo Co-operative Society Ltd., explained the situation in dairy industry during the decades prior to full market deregulation, which occurred in the 1990s as follows:

"So, we had a regulated industry here in New South Wales and Victoria didn't. We used to have a quota, and we'd get good money for the quota, and then a much smaller amount of money for any milk supplied above that quota (Tarlinton, 2020)."

REINVENTING THE CO-OPERATIVE: 1980-1999

Despite the closure of the butter factory, the co-operative continued to operate, but shifted its purpose from supporting the needs of dairy producers, to serving the needs of the entire community through the operation of retail stores. For the co-operative, the closure of the factory required a major change in strategy and purpose. The retail store that had been established and operated since the 1950s, along with its ownership of several other retail sites within the town, provided an opportunity to reinvent the co-operative, transforming it from a producer owned dairy products manufacturer to a consumer owned retail business. According to June Tarlinton, the existence of the retail operations following the factory's closure was "vital" to the future survival of the co-operative:

"It was vital I would say. Because, it had to evolve, it had to grow, and it had to change. A lot of things drove that change. For example, there were a couple of very serious droughts, and in those days, there were no irrigators, so if you were in drought you were dry. You had no fodder, your cows suffered, and their production dropped dramatically (Tarlinton, 2020)."

SOCIAL CHANGE IN COBARGO

The 1980s was also time of social change for the Cobargo region. June Tarlinton recalls that when she first arrived in the area in 1979 Cobargo was a “sleepy little town” that even in the mid-afternoon it was quiet and seemed “dead” apart from a solitary woman walking down the street. The main street had a small grocery store, bakery, post office, butcher, chemist, bank, and a café. However, within the decade the town had expanded with another café, a gift shop, leather, and pottery shops. The town “took on a different life”, with many new people arriving from outside the Bega region, to help transform the community (Tarlinton, 2020).

Amongst these “immigrants” were David and Diane Robinson, who moved to Cobargo from Melbourne in 1987 after visiting the town two and half years earlier while on holiday. They set up a leather goods and saddlery store in what had been an old butcher’s shop and joined other entrepreneurs such as Derwood and Lois Loth. The Loths, who migrated from Canada in 1985, were the proprietors of Bangles Gallery, which retailed pottery, dinner ware and craft work. According to these “newbies” Cobargo was “a friendly community” that welcomed new arrivals (Canberra Times, 1987).

By the late-1980s Cobargo had transformed from a town primarily supporting the surrounding communities engaged in farming, fishing and forestry, into a tourist town and “sea change” location for people who were seeking to escape the hustle of big cities for the quiet and beauty of the NSW south coast. The composition of the co-operative’s membership also changed along with this demographic change. For example, June Tarlinton recalls that by the early-1990s, 52% of members were dairy farmers, 39% were beef farmers and the remainder were a mix of townsfolk and “blockies”, who were retirees living on small hobby farms. However, as the decade passed, and the number of farmers dwindled, the proportion of townsfolk, blockies and retirees grew.

EMBRACING RETAILING

Faced with the restructuring of the dairy industry and the demographic changes taking place within the local community, the co-operative’s board responded with a strategic decision to invest more into its retail operations. This commenced from 1987-1988 with the purchase of additional land within the Cobargo townsite, initially to provide parking for the retail store. However, the 1980s was marked by extended droughts that ran from 1979 to 1983, and then from 1985 to 1987, requiring dairy farmers to install sprinkler irrigation systems to compensate for the lack of rainfall (Crichton et al., 1989).

FINANCIAL CHALLENGES

By the 1990s the co-operative found itself facing serious financial distress, with the Westpac bank threatening to declare the business insolvent and place it into liquidation. The Chairperson at the time was Mrs Jenny Lee, who, along with the co-operative’s manager, met with the bank and successfully fought for its survival. As June Tarlinton recalls, the co-operative was left with a couple of large debts and was deemed by the bank to be insolvent and unable to repay its debts. However, Mrs Lee, described as “a local identity and wife of a local doctor” was able to stop the bank from foreclosing. The board then managed to trade the co-operative back into solvency by being “ridiculously hard” with managing its cash flow. This included making members pay for all goods in cash prior to them being ordered (Tarlinton, 2020).

This experience made the board of the co-operative quite risk-averse. However, just as things were improving the co-operative entered into a collaborative agreement with a local businessman who had a superphosphate spreading vehicle. He negotiated with the co-operative for them to supply him with super on credit, and he would then pay them once he had completed the work for his farmer customers. In addition, the co-operative was asked to help promote the fertiliser spreading business to its members. At first this system worked well, and the co-operative was paid \$120,000 for its fertiliser supply within the first month. However, in the second month things didn’t work out as planned. As June Tarlinton recalls:

“So, in the first month he managed to meet the debt, but in the second month he couldn’t get paid by the farmers. Not all of it but some of it, which made us start to sink back into that terrifying feeling of perhaps going back into that same situation we’d already been in. I remember coming to the board meeting at that time and the Chairperson [Jenny Lee] was extremely distressed because she’d worked so hard to get the business out of a hole, and she had never wanted to even entertain this business arrangement. She could see the pitfalls of it, but while we [the board] could see the pitfalls, we also felt that it was a way of building the business. However, as the second and third months were no better, we decided to decline out of that situation and another farm supply store took it up in Bega (Tarlinton, 2020).”

While some directors felt that the co-operative had missed a big opportunity by not pursuing the agreement with the fertiliser spreader, others breathed a sigh of relief and felt that they “had dodged a bullet”, this was particularly the case for those who had lived through the difficult times of nearly going bankrupt.

EXPANSION, BUSHFIRES AND RENAISSANCE: 2000-2020

The first two decades of the twenty-first century were marked by steady expansion as the co-operative consolidated its retail operations and progressively upgraded its facilities. This was necessary given the outlook caused by the dairy industry deregulation that had been underway throughout the 1990s and finally reached full implementation in July 2000 (Dairy Australia, 2019). By the early 2000s the co-operative owned several parcels of land within the Cobargo town site, which included its retail store and office, as well as an adjacent building used as a doctor’s surgery. The co-operative store also served as a branch for the Horizon Bank, which is the trading name of the Horizon Credit Union Ltd.



Cobargo Co-operative store entrance (source: Cobargo Co-operative Society Ltd)

REBUILDING AND RENOVATION

In 2001 the co-operative renovated the doctor’s surgery and increased the size of the facility. It also purchased land adjacent to its retail store, facing the Princes Highway, and constructed a carpark. However, the existing retail and office accommodation was too cramped and poorly laid out. Retail staff had to take their breaks in the cramped office, which was in open sight of customers waiting at the counter. This often resulted in complaints by members, unaware that the staff were on a break, of being ignored by the co-operative’s employees who kept them waiting rather than serving them (Tarlinton, 2020).

During 2003 the co-operative undertook a major upgrade of their retail and office facilities. This involved improving the store layout and placing the office and staff lunchroom upstairs within a mezzanine floor. It solved several problems that included staff not having anywhere private to take their breaks, and a paucity of security due to being unable to see some areas of the store from the counter. This latter problem had emerged because of increasing shoplifting (Tarlinton, 2020).

LAND ACQUISITION

The following year the co-operative purchased additional land comprising a large property formerly owned by the McCarthy brothers. This contained a large house and was subdivided into several parcels of land. It had been somewhat controversial within the community as some people wanted the land developed for more retailing, while others felt that the house should be preserved due to its historical value. Over time the co-operative owned not only the building in which the doctor's surgery is located, but also other shops that they rented out as a hairdressing salon, clothing, and gift shop, and now a museum and tourist information centre.



Cobargo Co-op site showing doctor's surgery, carpark, office, and store today (source: Cobargo Co-operative Society Ltd and Google Maps)

In 2012 the doctor's surgery and hairdressing salon buildings were repainted, and the next year a large underground fuel tank used in their petrol station was replaced. The fuel tank had been found to be leaking and proved quite expensive to remove and replace. Then in 2017 the retail site was refurbished, with new signage, repainting, and new door entrances. Additional land was purchased adjacent to the existing site the next year. This land was located behind the main depot of the co-operative, and it risked interfering with the fuel supply depot and storage areas of their operations. Even though the co-operative did not feel that they needed any additional land, the board decided to purchase it to secure and protect its existing activities on its own site. In 2020 the block was redeveloped into a display yard, unloading depot and outdoor goods collection point. Today the co-operative comprises a large area within the centre of Cobargo housing a hardware, nursery, farm supplies, chemicals, outdoor furniture, pet and stock feeds, homewares, and paints

COMPETITION FROM WITHIN THE REGION

As a regional retail business, the Cobargo Co-operative Society Ltd. faces strong competition from neighbouring towns. This was explained by Mr Dan Williamson, Manager of the co-operative as follows:

"From where we are in Cobargo you go half an hour south and you hit Bega, which is a big town, or you go half an hour north and you hit Narooma which is another big town. Bega is now the main hub for agricultural everything, so farming wise, most of the bigger farms will go there to get fertilisers, feed, and seed if it is big amounts. Up until recently we have still been carrying bulk fertiliser, but we're being priced out of the market because the bigger players in Bega can get it at a much better price (Williamson, 2020)."

Despite these competitive challenges the co-operative has been able to remain profitable with its Thrifty-Link hardware, plant nursery, pet, and animal feeds, as well as fencing. The last of these has been in high demand during 2020 due to the impact of the fires that ravaged the town and surrounding district during the Christmas-New Year period December 2019 to January 2020.

According to Williamson, the co-operative had secured a niche within the market in several key areas that were related to its convenience for members and customers:

"I want to say convenience type store. We have pretty much all the fencing you need. In the hardware we're only a small shop compared to what hardware is like these days, but we service the small jobs. If you were doing a big job, or you are a tradie, you'd go to one of the bigger stores in Bega. I think that our competitive advantage is that we do have a lot here for a tiny little town such as Cobargo (Williamson, 2020)."

THE NEED FOR A LOCAL SUPERMARKET

Considerations were being given to expansion into other retailing opportunities such as supermarkets. Cobargo had lost its IGA Supermarket, which had closed around 2018. That business was very small and not able to offer all the goods that many people wanted, so they would drive to Bega. Its owner had bought it for his daughters to run when he retired. However, they left to go to university, and so he continued run the business without them.



Cobargo supermarket entrance (source: Century 21 Realty)

The supermarket and grocery, which was part of the IGA buying group, was advertised in 2018 for \$110,000 plus stock, comprising a location on the Princes Highway, in-shop POS scanning stations, air conditioning, heating and back-up generator for the refrigeration systems (Century 21 Realty, 2018). The owner was made several offers for the business, but refused to sell for the prices offered, and simply shut it down. After it closed, the co-operative's board was approached by several people in the community to see if it might be possible to set up a supermarket. The matter was given consideration by the board, but it was noted that many of the people who were calling for a supermarket in Cobargo, were also the ones who did their shopping in Bega. According to June Tarlinton, the co-operative had considered the opening of a supermarket for some time. However, there had been opposition from the previous accountant of the co-operative had expressed concern over the financial risk of opening a supermarket. These concerns included the high waste of perishable goods if the store could not turnover sufficient volume.

THE BUSHFIRES OF 2019

The horrendous bushfires of December-January 2019-2020 significantly impacted Cobargo causing loss of life and severe damage to property. This included the destruction of several shops in the main street of the town sparked by burning embers, which triggered a number of spot fires and kept the fire fighters and locals busy trying to save their properties well into the night (Burnside and Pengilley, 2019). Amongst the shops destroyed by the bushfires were the leather goods and saddlery store founded by David and Diane Robinson, and the pottery founded by Derwood and Lois Loth back in the 1980s. Also lost was a small gift shop, two cafes and a Homeopathy. These businesses may never be able to reopen, but the co-operative has been considering ways to assist with the town's revival. This has focused on a parcel of land at the rear of the co-operative's retail site that was purchased in 2004, to provide access for heavy vehicles entering the storage areas.

As June Tarlinton explained:

"The aim of purchasing this parcel of land was to give us access to the back of the co-operative because the road that we have in runs between a laneway between the veterinary service and the old hairdressing salon which is our building. But the trucks must take a turn to get in, and they cross the highway, and they block it. So, we were trying to guarantee that we would still have access, so we purchased another block of land down the bottom again (Tarlinton, 2020)."



Cobargo main street ravaged by bushfires (source: ABC abc.net.au)

This land has been used as a lay down area for goods such as fencing supplies and is undeveloped other than having gravel road base installed. Following the fires, the co-operative agreed under a bushfire recovery program through the Business Council of Australia (BCA), to provide its unoccupied land as a site upon which would be built some temporary shops to help the people who had lost their businesses to be able to return and commence trading. The plan was initially for the land to be leased to the operators of these temporary shops for up to three years after which time the land will return to the co-operative. However, at time of writing (September 2020), the emphasis had shifted to the construction of a permanent building, comprising six individual shops, and then after a 3 to 5-year period the building would revert to the ownership of the co-operative.

Although these redevelopment plans were still in under negotiation, the co-operative viewed this as an opportunity to secure access to funding for the construction of retail facilities that after a relatively short period of time would leave them with an asset that could be used either for further use by independent retailers under lease, or as a facility in which to house a future supermarket. The co-operative owns a portfolio of real estate within the town, including the building housing the doctor's surgery

FUTURE DIRECTIONS

Despite the traumatic experiences of the 2019 bushfires and the COVID-19 pandemic of 2020 the board and management of the Cobargo Co-operative Society Ltd. continue to remain optimistic about the future. Prior to these events the co-operative's previous expansions, facilities upgrade, and land purchases had placed the finances of the business under some strain. By the start of 2019, the bank overdraft facility was fully drawn and there was little more on the short-term horizon than repaying that debt and setting the co-operative up for whatever might lie ahead. However, over the first half of 2020 things improved dramatically. As noted by Dan Williamson:

"We're already out of that. The last six months after the fire we've pretty much doubled or more our turnover and profit and we've paid off the overdraft and we are now ready to go (Williamson, 2020)."

June Tarlinton expressed the view, "that out of adversity has come something quite strong". She explained that the co-operative's aim for several years had been to reach an annual turnover target of \$3 million. However, things had seemingly been difficult for the co-operative to achieve this goal until the bushfire, as she explained:

"So, for years our goal was to get \$3 million turnover, which for the size of Cobargo is pretty impressive. We have an auditor accountant who is very hard, and he is astounded that every year he comes out to audit all our goods, and mate he goes through it with a fine toothcomb. He is very appreciative of the staff we have and the level at which they maintain stock control and lost products. So, we've got a good team here, but we never quite got to the \$3 million. And when the previous Chairperson Jenny Lee walked out, she turned to me she said, June, it is up to you to get it over \$3 million. I went, thanks Jenny, I appreciate that, and it wasn't so long after that we dug up the big fuel tank. Yet we've done \$4.1 million this past financial year and that was truthfully because of that wretched fire (Tarlinton, 2020)."

RESPONDING TO THE NEEDS OF THE COMMUNITY

This positive financial trend so soon after the crises of leaking fuel tank, land purchases and bushfires has given the board and management of the co-operative new hope for the future. They are now looking at ways to recognise the different needs of the community, and what goods and services the co-operative can supply to them. Among the ideas for future offerings to the community is the opening of a whole food store that provides an outlet for fresh fruit and vegetables grown in the local area. This might take the form of even purchasing land and leasing it to people who would grow the produce that would then be sold through the co-operative's store.

Driving this idea is the recognition of how the socio-demographic make-up of the Cobargo community has changed over recent decades. This point was made by Dan Williamson who noted that over recent years there had been a steady influx of people coming out of the cities, where they sold their multimillion dollar houses. They then moved into the Cobargo area to purchase a rural block of between 2 to 8 hectares, upon which they built a large home and ran a few sheep and dairy cows. For these people, the co-operative offered a convenient retail store and one that they could potentially relate to. As he explained:

"We have been rebuilding the brand as that of a community-owned co-operative, but I think got a little lost, although it is now starting to come back. Because there are now a lot of people in the area who like that concept because they don't want to be supporting the big multinationals (Williamson, 2020)."

DEVELOPING A MEMBER VALUE AND LOYALTY

In assessing the opportunity for developing a strong member value proposition (MVP) for the co-operative this engagement with the new sea changers was viewed as leveraging the strong foundation of loyalty already inherent within the existing community. As June Tarlinton explained:

"I think the strength of the co-op within the community is that it has a lot of respect from the old, traditional members, and the new people within the community, because the staff display a caring attitude. For example, a lot of people who were affected by this bushfire came to the co-op and often they didn't even want to buy anything, they just felt like they gained comfort from the staff because the staff were here and would do anything to support them. So, I think the face of the co-op has got strength and has always had a level of strength. Yet I think it has become stronger because of the fire (Tarlinton, 2020)."

However, she also expressed concern that the bushfire had affected a lot of people's mental attitudes. Many now saw the location as not being safe and were frightened. This included even long-term residents who were saying that they felt that they couldn't live in the area anymore as it was not safe due to the fire risk. In this environment she felt cautious about where the co-operative might be in five-year time, and much could depend on how things unfolded throughout the coming year.

CONTRIBUTING TO THE RENAISSANCE OF COBARGO

To address these challenges the co-operative has been involved in several rehabilitation projects focusing on the street scapes of the Cobargo township. This included a project to renovate the old RSL Hall that had been used in the past by the co-operative board for their meetings and was leased for use as an antique store. However, the business didn't survive but the building was left closed for many years as the lease owner refused to relinquish the building for use by someone else. Finally, with some community pressure the building was released for an alternative purpose, and the co-operative was approached to help refurbish the Hall.

The co-operative duly made a substantial donation to help renovate the hall based on its purpose to enhance the overall wellbeing of the community of Cobargo. This gesture was well-received by the community and the co-operative was able to link this donation to their principle of being concerned for the community, and the fact that without a strong community engagement and support, they would not exist. According to June Tarlinton, this albeit small scale project, was an example of the range of similar projects that the co-operative now planned to undertake within the community to help support it and demonstrate its commitment and value to the local people.

Statement of Vision

Cobargo Co-operative Society Ltd. has a vision to support the community of Cobargo and surrounding districts to grow and prosper into the future, being open to how this may evolve. We aim higher than just

economic growth, looking to support Cobargo's social capital by being a vibrant and interactive place where community feel safe and supported to connect.

Statement of Mission

Cobargo Co-operative Society Ltd. is a community-owned business that exists purely to serve the community of Cobargo and surrounding locale. Cobargo Co-operative Society Ltd. aims to provide for the needs of the Cobargo community with a high standard of customer service, integrity, honesty, and humility. Cobargo Co-operative Society Ltd. strives to provide as much variety as possible at competitive prices whilst focusing on growth into new areas to better support the sustainability of the area. Cobargo Co-operative Society Ltd. aims to continue being one of the largest employers in the Cobargo district, and provide a safe, enjoyable, and flexible place to work.

Statement of Values

Cobargo Co-operative Society Ltd. values the diversity of the area, families that have farmed here for generations, the new commers who see a future here, and the long history of traditional custodianship of this land. They reflect the hardworking, innovative, and caring folk who call Cobargo home, and in every aim to mirror this back to our customers, fellow staff, and business partners. At the heart of our work here is respect and consideration for all, striving for excellence, and above all serving the needs of Cobargo.

SETTING FUTURE DIRECTION

As the co-operative looks to the future it builds on its long-history while being guided by a newly developed set of statements of vision, mission, and values. These, specifically the vision statement, outline the purpose of the co-operative. According to Dan Williamson, it is important that the co-operative rebuilds its brand identity as that of a community-owned enterprise dedicated to the long-term enhancement of the people of Cobargo. While the co-operative's board and management don't anticipate the future years will be easy, they have commenced on a pathway to bringing the community along with them in the aftermath of the bushfires. As June Tarlinton explained:

"I think we've made steps in that direction. This business was opened within days of the fire because there was a demand and a need in the community for people to get petrol to get out of here, people who were tourists. So, people on this staff who had been impacted by the bushfires, lost homes lost everything, were here working trying to service the needs of the community, plus the tourist base, who also support us. So, I think we've worked quite strongly in that direction. As a business, the staff here are so supportive and comforting to people impacted by the fire, people came here just for the comfort factor even if they weren't buying anything because they got a friendly face, probably a hug, and concern for their welfare (Tarlinton, 2020)."

According to June Tarlinton, because the co-operative gave such support and comfort to the community in the wake of the fires, the community is now reflecting that back. Now, they are looking at the co-operative as the biggest business in the town, and the one that appears most viable in their eyes, because so many of the others have been destroyed by the fire, to maintain the town's services and help rebuild what was there before. This took the form of "a streetscape of shops", and the agreement to give over the co-operative's land for up to five years, to help get the displaced retailers in the town back in business and remain viable. So, this action by the co-operative signals to the community how much it is willing to support them and generously give over its resources for a common purpose.

KEY LESSONS FROM THE CASE

The history of the Cobargo Co-operative Society Ltd. highlights many important lessons. First, it shows the ability of a co-operative or mutual enterprise to provide both economic and social value to a community. The early years of the co-operative as a dairy producer butter company demonstrated the value it provided to the local farmers, and the jobs that it generated within the Cobargo district over the years. In the years following the closure of the butter factory, the co-operative continued to generate economic value through its retail activities, becoming the largest employer in the town, supporting other local businesses, and offering valuable services at the local community level. From a social capital perspective, the co-operative provided a focal point for the local farmers and later the broader community, to engage in networking, mutual support, donations to community causes, and in taking a leadership role in the community.

A second lesson is the impact that external factors have on co-operatives and how they can be met by the organisation's board and management. These factors include the willingness of the community to come together to form the co-operative, the role of government, the competitiveness of the industry in which the co-operative is operating, and the effects of environmental change. As the history of the Cobargo Co-operative Society Ltd. shows, the foundation of the co-operative emerged from the willingness of pioneering farmers to give their time, initially on a volunteer basis, to found the enterprise and serve on its board, even at the cost of sometimes being subjected to abuse and criticism from members and the broader community.

It also illustrates the effect of government regulatory powers to impact the co-operative in either a positive or negative manner. This can be seen from the examples of the Royal Commission in the early years, the changes to the NSW legislation resulting in the change of name in the 1920s, the confiscation of factory equipment and rationing during the Second World War, and the quotas, restructuring, and subsequent deregulation of the dairy industry from the 1970s. In response to such changes the co-operative's board can be seen to have engaged with these authorities on behalf of its members, both directly and via its industry association.

The rising competition within the dairy industry, combined with the impact of droughts and bushfires that emerged in the 1970s and 1980s forced the closure of the co-operative's butter factory. However, as the recent history of the co-operative shows, competitive markets and natural disasters will come and go. Yet, with determination, a clear purpose, effective leadership and support from its members and the community, a co-operative can navigate these challenges and survive.

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APPENDIX A: TOP 100 CME BY ANNUAL TURNOVER FOR FY2018-19

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
1	Co-operative Bulk Handling Ltd	WA	\$4,189,611,000	(\$75,462,000)	(\$29,667,000)	\$2,594,475,000
2	Hospital Contribution Fund (HCF)	NSW	\$2,811,009,000	\$119,958,000	\$118,262,000	\$2,635,917,000
3	Capricorn Society Ltd	WA	\$2,035,855,000	\$27,335,000	\$20,411,000	\$414,727,000
4	HBF Health	WA	\$1,772,244,000	\$93,681,000	\$93,681,000	\$1,943,306,000
5	Australian Unity	VIC	\$1,608,670,000	\$97,229,000	\$53,001,000	\$5,816,616,000
6	RACQ	QLD	\$1,461,989,000	\$45,559,000	\$33,466,000	\$5,022,142,000
7	Members Equity Bank Ltd (ME Bank)	VIC	\$1,334,890,000	\$96,070,000	\$67,115,000	\$30,868,322,000
8	RAC WA	WA	\$829,809,000	\$27,649,000	\$23,196,000	\$1,945,203,000
9	Teachers Health Fund	NSW	\$740,006,275	\$18,445,178	\$18,445,178	\$545,568,814
10	NRMA	NSW	\$736,281,000	\$12,675,000	\$12,794,000	\$1,753,500,000
11	RACV	VIC	\$733,400,000	\$131,000,000	\$118,500,000	\$2,504,200,000
12	GMHBA Limited	VIC	\$705,369,000	\$10,581,000	\$11,026,000	\$410,850,000
13	Credit Union Australia (CUA)	QLD	\$606,337,000	\$62,942,000	\$37,766,000	\$15,757,594,000
14	Norco Co-operative Ltd	NSW	\$603,862,000	\$10,000	\$41,000	\$211,382,000
15	Avant Mutual Group	NSW	\$523,700,000	\$88,300,000	\$65,000,000	\$2,401,600,000
16	CBHS Health Fund Limited	NSW	\$457,927,000	\$4,928,000	\$4,894,000	\$315,640,000
17	RAA SA	SA	\$449,622,000	\$25,457,000	\$18,229,000	\$603,828,000
18	Catholic Church Insurance Limited (CCI)	VIC	\$407,850,000	(\$15,770,000)	(\$15,770,000)	\$1,469,134,000
19	People's Choice Credit Union (Australian Central CU)	SA	\$405,630,000	\$33,126,000	\$21,084,000	\$8,810,188,000
20	Newcastle Permanent	NSW	\$404,367,000	\$53,178,000	\$29,715,000	\$10,832,330,000
21	Heritage Bank Ltd	QLD	\$404,333,000	\$61,708,000	\$43,275,000	\$10,088,482,000
22	Tyrepower Group	VIC	\$397,067,000			
23	EML (formerly Employers Mutual Ltd)	NSW	\$386,895,000	\$20,412,000	\$15,926,000	\$421,934,000
24	Geraldton Fishermen's Co-operative Ltd	WA	\$369,554,095	\$705,608	\$3,733,568	\$147,902,053
25	WA Meat Marketing Co-operative Ltd	WA	\$331,000,000			
26	Teachers Mutual Bank Ltd	NSW	\$329,744,000	\$38,645,000	\$27,061,000	\$8,042,007,000
27	Independent Liquor Group Distribution Co-operative	NSW	\$328,944,171	(\$125,043)	(\$181,780)	\$32,879,673
28	Greater Bank (formerly Greater Building Society Ltd)	NSW	\$299,447,000	\$44,740,000	\$31,452,000	\$7,161,631,000
29	CUSCAL	NSW	\$271,500,000	\$32,200,000	\$22,200,000	\$2,331,300,000
30	Beyond Bank	SA	\$266,694,000	\$29,322,000	\$19,426,000	\$6,196,006,000
31	Friendly Society Medical Association Limited (National Pharmacies)	SA	\$256,669,000	(\$1,733,000)	(\$1,641,000)	\$116,449,000
32	IMB Limited	NSW	\$256,141,000	\$45,401,000	\$31,732,000	\$6,077,077,000
33	Bank Australia (formerly bank mecu)	VIC	\$240,842,000	\$32,778,000	\$22,822,000	\$6,332,262,000
34	Northern Co-operative Meat Co. Ltd	NSW	\$239,152,000	\$4,519,000	\$3,151,000	\$151,891,000
35	Independent Liquor Group Suppliers Cooperative Ltd	NSW	\$236,381,545	\$264,260	\$331,286	\$65,127,523
36	Queensland Country Credit	QLD	\$230,254,000	\$11,548,000	\$7,792,000	\$2,294,391,000
37	Westfund Health Ltd	NSW	\$217,745,966	\$18,189,409	\$18,189,409	\$223,845,924

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
38	AlmondCo Ltd	SA	\$201,937,000			\$257,899,000
39	Queensland Teachers Union Health Fund	QLD	\$200,136,712	\$8,388,184	\$8,388,184	\$157,307,351
40	OZ Group Co-op	NSW	\$200,000,000			
41	Associated Retailers Ltd	VIC	\$199,265,000	(\$1,638,000)	(\$1,831,000)	\$51,065,000
42	Latrobe Health Services Ltd	VIC	\$185,930,579	\$5,290,906	\$5,290,906	\$229,593,816
43	P&N Bank	WA	\$177,265,000	\$14,907,000	\$10,369,000	\$4,268,098,000
44	Health Partners Ltd	SA	\$175,026,922	\$13,374,658	\$13,374,658	\$188,896,273
45	Health Insurance Fund of Australia	WA	\$172,818,074	(\$711,632)	(\$711,632)	\$119,046,576
46	Peoplecare Health Insurance	NSW	\$161,411,125	\$5,952,961	\$5,952,961	\$119,175,899
47	Qudos Bank (formerly QANTAS Credit Union)	NSW	\$154,579,000	\$24,931,000	\$17,641,000	\$4,039,974,000
48	St Luke's Medical & Hospital Benefits Association Ltd	TAS	\$144,203,080	\$4,865,339	\$4,860,275	\$125,673,064
49	Medical Indemnity Protection Society Ltd (MIPS)	VIC	\$137,076,000	\$6,150,000	\$6,651,000	\$668,943,000
50	Police Health	SA	\$136,832,522	\$925,647	\$925,647	\$79,297,733
51	Dairy Farmers Milk Co-operative Ltd	NSW	\$130,137,000	\$665,000	\$892,000	\$20,370,000
52	Plumbers' Suppliers Co-operative Ltd	NSW	\$129,827,172	(\$1,367,116)	(\$2,231,105)	\$68,099,224
53	Murrumbidgee Irrigation Limited	NSW	\$116,260,000	\$19,746,000	\$11,449,000	\$657,989,000
54	Railway and Transport Health Fund (RT Health)	NSW	\$115,890,962	\$2,260,904	\$2,260,904	\$83,486,674
55	MDA National	WA	\$109,065,000	(\$1,638,000)	(\$552,000)	\$446,222,000
56	Bank First (formerly Victoria Teachers Mutual Bank)	VIC	\$108,318,000	\$15,400,000	\$10,918,000	\$2,681,032,000
57	International Macadamias Ltd (Macadamia Processing Co. Ltd)	NSW	\$105,560,116	\$9,343,764	\$7,909,565	\$46,005,183
58	Australian Scholarship Group Friendly Society	VIC	\$104,545,000	\$16,932,000	\$1,024,000	\$1,309,827,000
59	NSW Sugar Milling Co-operative	NSW	\$102,970,000			
60	Arnhem Land Progress Aboriginal Corporation	NT	\$101,244,297			
61	Defence Bank	VIC	\$96,360,000	\$14,346,000	\$10,042,000	\$2,500,301,000
62	StateCover Mutual Ltd	NSW	\$95,520,000	\$4,132,000	\$4,132,000	\$514,977,000
63	Navy Health Ltd	VIC	\$92,911,979	\$6,321,121	\$6,321,121	\$114,565,753
65	CCW Co-op	SA	\$91,568,127	\$168,115	\$154,534	\$3,945,420
64	Rapid Group Co-operative Ltd (Rapid Clean)	NSW	\$91,500,000			
66	Police Bank	NSW	\$91,077,601	\$4,361,276	\$2,435,994	\$2,017,446,259
67	Hastings Co-operative	NSW	\$90,736,200	\$1,298,324	\$1,357,950	\$24,320,943
68	Institute for Urban Indigenous Health Ltd	QLD	\$88,650,000	\$2,161,000	\$2,161,000	\$31,358,000
69	BankVic (formerly Police Credit)	VIC	\$86,065,000	\$16,054,000	\$11,270,000	\$2,062,823,000
70	Yenda Producers Co-operative Ltd	NSW	\$85,898,714	\$2,206,961	\$1,639,405	\$60,238,023
71	Lawcover Pty Ltd	NSW	\$85,421,000	\$12,234,000	\$6,235,000	\$347,728,000
72	Bananacoast Community Credit Union	NSW	\$83,309,000	\$14,700,000	\$11,987,000	\$1,702,734,000
73	Bundaberg Associated Friendly Society Medical Institute Ltd	QLD	\$77,877,852	\$1,548,309	\$1,259,113	\$83,942,787
74	UFS Dispensaries Ltd	VIC	\$76,222,718	\$3,122,199	\$3,135,773	\$46,613,651

Rank	Name	State	Turnover (AUD \$)	EBIT (AUD \$)	NPAT (AUD \$)	Total Assets (AUD \$)
75	Master Butchers Co-operative Ltd	SA	\$76,179,360	\$2,831,972	\$2,887,486	\$50,125,359
76	Royal Automobile Club of Tasmania	TAS	\$74,816,000	\$5,597,000	\$9,809,000	\$144,062,000
77	Regional Australia Bank	NSW	\$70,063,000	\$12,539,000	\$8,864,000	\$1,517,596,000
78	Community Co-op Store (Nuriootpa) Ltd	SA	\$65,598,046	-\$1,107,957	-\$1,107,957	\$73,400,707
79	Tasmanian Independent Retailers Co-op Society Ltd	TAS	\$64,049,523	\$3,265,629	\$2,935,319	\$59,385,321
80	Capricorn Mutual Limited	WA	\$62,836,000	\$2,770,000	\$2,635,000	\$87,570,000
81	Australian Military Bank (Australian Defence Credit Union)	NSW	\$60,045,000	\$5,845,000	\$3,504,000	\$1,387,315,000
82	Cowboys Leagues Club Limited	QLD	\$58,983,507	\$1,409,277	\$1,409,277	\$37,230,286
83	Victorian Aboriginal Child Care Agency Co-operative Ltd	VIC	\$58,619,881	\$1,499,841	\$1,499,841	\$33,289,588
84	Mildura District Hospital Fund Ltd	VIC	\$56,612,893	\$3,289,829	\$3,289,829	\$99,531,315
85	Unity Bank (formerly Maritime, Mining & Power Credit Union)	NSW	\$55,321,000	\$5,909,000	\$4,250,000	\$1,222,335,000
86	Medical Defence Association of South Australia Limited	SA	\$53,480,000	\$9,898,000	\$9,734,000	\$462,632,000
87	Central Australian Aboriginal Congress Aboriginal Corporation	NT	\$52,047,961	\$34,837	\$34,837	\$29,612,900
88	Police Credit Union Limited	SA	\$50,924,000	\$6,931,000	\$4,813,000	\$1,135,104,000
89	Hume Bank	NSW	\$49,253,000	\$6,913,000	\$5,072,000	\$1,208,275,000
90	Credit Union SA Ltd	SA	\$48,722,000	\$5,327,000	\$5,240,000	\$1,187,268,000
91	G&C Mutual Bank / Quay Mutual Bank (Quay Credit Union Ltd)	NSW	\$48,605,000	\$9,316,000	\$6,536,000	\$1,193,999,000
92	UniMutual	NSW	\$47,745,597	\$2,183,355	\$1,778,297	\$91,434,657
93	Community First Credit Union	NSW	\$46,225,000	\$1,433,000	\$1,495,000	\$1,097,498,000
94	YHA Australia Ltd	NSW	\$46,199,110	-\$6,068,544	-\$6,068,544	\$152,955,588
95	Kimberley Aboriginal Medical Services Ltd (was Kimberley Aboriginal Medical Service Co-operative)	WA	\$45,146,007	-\$573,985	-\$420,937	\$39,729,407
96	Murray Irrigation Limited	NSW	\$44,701,000	-\$470,000	-\$12,737,000	\$522,450,000
97	N.Q. Co-op Ltd	QLD	\$44,640,022	\$1,261,369	\$1,437,612	\$33,458,289
98	Phoenix Health Fund	NSW	\$44,633,000	\$2,500,000	\$2,500,000	\$33,209,000
99	Gateway Credit Union	NSW	\$40,751,000	\$3,011,000	\$2,074,000	\$1,122,905,000
100	BankofUs (formerly B&E Personal Banking)	TAS	\$39,095,597	\$3,166,723	\$2,226,815	\$993,179,132

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 some CMEs has included the total income received by the enterprise as a co-operative or mutual rather than the amount of income accounted for by the enterprise as a business entity.
3. Financial information has been sourced in most cases from company annual reports, and where that has not been available from IBISWorld industry reports. All care has been taken to ensure the accuracy of this data; however, it is possible that some information may be incorrect.
4. Member owned superannuation funds are reported in Appendix B.

APPENDIX B: MEMBER OWNED SUPERANNUATION FUNDS FY2018/19

Rank	Name	State	Turnover (AUD \$)	ABBT (AUD \$)	ABAT (AUD \$)	Total Assets (AUD \$)
1	Australian Super	VIC	\$13,817,000,000	\$12,919,000,000	\$12,298,000,000	\$171,553,000,000
2	UniSuper	VIC	\$8,220,000,000	\$7,859,000,000	\$7,743,000,000	\$82,774,000,000
3	First State Super Fund	NSW	\$6,017,000,000	\$5,540,000,000	\$5,380,000,000	\$103,137,000,000
4	Sunsuper	QLD	\$5,300,000,000	\$4,960,000,000	\$4,892,000,000	\$70,004,000,000
5	Health Employee's Superannuation Trust Australia (HESTA)	VIC	\$3,869,138,000	\$3,568,963,000	\$3,439,278,000	\$53,505,220,000
6	Construction & Building Superannuation (CBUS)	VIC	\$3,821,669,000	\$4,665,266,000	\$3,188,653,000	\$54,836,541,000
7	Retail Employee's Superannuation Trust (REST)	NSW	\$3,337,012,000	\$2,890,030,000	\$2,841,315,000	\$57,798,307,000
8	HOSTPLUS	VIC	\$2,796,031,000	\$2,675,118,000	\$2,733,529,000	\$45,500,826,000
9	VicSuper	VIC	\$1,868,883,000	\$1,753,567,000	\$1,666,327,000	\$24,003,835,000
10	CareSuper	NSW	\$1,108,933,000	\$985,675,000	\$968,279,000	\$19,847,168,000
11	MTAA Superannuation Fund	ACT	\$988,600,000	\$869,600,000	\$840,400,000	\$12,800,400,000
12	Equipsuper	VIC	\$986,000,000	\$896,000,000	\$901,000,000	\$16,014,000,000
13	TWU Super	NSW	\$878,109,000	\$353,919,000	\$294,256,000	\$5,828,768,000
14	Local Government Super	NSW	\$836,031,000	\$763,061,000	\$749,802,000	\$12,235,293,000
15	Tasplan Ltd	TAS	\$817,889,705	\$753,711,047	\$704,326,007	\$9,720,186,196
16	Vision Super Pty Ltd	VIC	\$777,375,000	\$754,315,000	\$754,438,000	\$10,376,762,000
17	NGS Super Pty Ltd	VIC	\$757,885,000	\$694,056,000	\$666,000,000	\$11,655,150,000
18	Legalsuper	VIC	\$666,214,040	\$628,311,928	\$581,906,414	\$4,202,126,151
19	Mine Super	NSW	\$652,671,000	\$567,783,000	\$581,704,000	\$11,526,669,000
20	Statewide Super	SA	\$636,671,000	\$556,290,000	\$552,453,000	\$9,938,096,000
21	Maritime Super	NSW	\$613,000,000	\$211,000,000	\$181,000,000	\$5,876,000,000
22	Catholic Superannuation Fund	VIC	\$565,421,810	\$492,986,738	\$498,134,344	\$10,165,687,112
23	Australian Catholic Superannuation and Retirement Fund	NSW	\$556,721,000	\$499,382,000	\$486,184,000	\$9,258,114,000
24	Media Super	VIC	\$508,183,000	\$470,373,000	\$458,493,000	\$6,088,028,000
25	Energy Super	QLD	\$436,004,000	\$376,754,000	\$371,096,000	\$7,938,435,000
26	LUCRF Super	VIC	\$431,373,000	\$377,573,000	\$366,884,000	\$6,883,530,000
27	Prime Super	NSW	\$361,347,000	\$311,452,000	\$293,963,000	\$5,254,778,000
28	WA Super	WA	\$296,136,000	\$272,972,000	\$259,960,000	\$3,975,510,000
29	Building Unions Superannuation Scheme (Qld) (BUSSQ)	QLD	\$243,600,387	\$217,891,829	\$226,073,814	\$5,090,689,362
30	First Super	VIC	\$223,941,454	\$204,862,432	\$189,326,115	\$3,250,720,785
31	Intrust Super Fund	QLD	\$168,874,793	\$144,484,732	\$141,799,768	\$2,852,018,424
32	AMIST Super	NSW	\$164,342,914	\$144,660,831	\$135,410,415	\$2,857,357,788
33	Meat Industry Employees' Superannuation Fund	VIC	\$141,551,886	\$61,059,704	\$51,637,753	\$914,023,895
34	Christian Super	NSW	\$106,722,229	\$90,567,709	\$87,652,272	\$1,632,588,880
35	REI Super	VIC	\$99,942,000	\$92,190,000	\$87,643,000	\$1,718,628,000

Rank	Name	State	Turnover (AUD \$)	ABBT (AUD \$)	ABAT (AUD \$)	Total Assets (AUD \$)
36	Electricity Industry Superannuation Fund	SA	\$79,469,000	\$75,765,000	\$74,066,000	\$1,356,618,000
37	NESS Super Pty Ltd	NSW	\$55,036,170	\$51,509,884	\$52,054,134	\$828,236,475
38	Victorian Independent Schools Superannuation Fund (VISSF)	VIC	(\$556,000)	(\$3,847,000)	(\$309,800)	\$779,169,000

Notes to Table:

1. ABBT= allocation of benefits before tax. ABAT = allocation of benefits after tax. n/a=not available. All values are reported in Australian \$.

APPENDIX C: TOP 100 AUSTRALIAN CME BY ASSETS FY2018/19

Rank	Name	State	Assets (AUD \$)	Liabilities (AUD \$)	Equity (AUD \$)
1	Members Equity Bank Ltd (ME Bank)	VIC	\$30,868,322,000	\$29,383,051,000	\$1,485,271,000
2	Credit Union Australia (CUA)	QLD	\$15,757,594,000	\$14,700,126,000	\$1,057,468,000
3	Newcastle Permanent	NSW	\$10,832,330,000	\$9,849,660,000	\$982,670,000
4	Heritage Bank Ltd	QLD	\$10,088,482,000	\$9,512,756,000	\$575,726,000
5	People's Choice Credit Union (Australian Central CU)	SA	\$8,810,188,000	\$8,191,359,000	\$618,829,000
6	Teachers Mutual Bank Ltd	NSW	\$8,042,007,000	\$7,492,782,000	\$549,225,000
7	Greater Bank (formerly Greater Building Society Ltd)	NSW	\$7,161,631,000	\$6,613,367,000	\$548,264,000
8	Bank Australia (formerly bank mecu)	VIC	\$6,332,262,000	\$5,799,044,000	\$533,218,000
9	Beyond Bank	SA	\$6,196,006,000	\$5,686,879,000	\$509,127,000
10	IMB Limited	NSW	\$6,077,077,000	\$5,714,369,000	\$362,708,000
11	Australian Unity	VIC	\$5,816,616,000	\$5,098,223,000	\$718,393,000
12	RACQ	QLD	\$5,022,142,000	\$3,580,186,000	\$1,441,956,000
13	P&N Bank	WA	\$4,268,098,000	\$3,977,453,000	\$290,645,000
14	Qudos Bank (formerly QANTAS Credit Union)	NSW	\$4,039,974,000	\$3,769,548,000	\$270,426,000
15	Bank First (formerly Victoria Teachers Mutual Bank)	VIC	\$2,681,032,000	\$2,466,648,000	\$214,384,000
16	Hospital Contribution Fund (HCF)	NSW	\$2,635,917,000	\$740,114,000	\$1,895,803,000
17	Co-operative Bulk Handling Ltd	WA	\$2,594,475,000	\$836,324,000	\$1,758,151,000
18	RACV	VIC	\$2,504,200,000	\$731,500,000	\$1,772,700,000
19	Defence Bank	VIC	\$2,500,301,000	\$2,321,058,000	\$179,243,000
20	Avant Mutual Group	NSW	\$2,401,600,000	\$1,150,200,000	\$1,251,400,000
21	CUSCAL	NSW	\$2,331,300,000	\$2,075,500,000	\$255,800,000
22	Queensland Country Credit	QLD	\$2,294,391,000	\$2,039,595,000	\$254,796,000
23	BankVic (formerly Police Credit)	VIC	\$2,062,823,000	\$1,877,187,000	\$185,636,000
24	Police Bank	NSW	\$2,017,446,259	\$1,814,256,225	\$203,190,034
25	RAC WA	WA	\$1,945,203,000	\$1,059,170,000	\$886,033,000
26	HBF Health	WA	\$1,943,306,000	\$501,805,000	\$1,441,501,000
27	NRMA	NSW	\$1,753,500,000	\$645,105,000	\$1,108,395,000
28	Bananacoast Community Credit Union	NSW	\$1,702,734,000	\$1,551,698,000	\$151,036,000
29	Regional Australia Bank	NSW	\$1,517,596,000	\$1,392,775,000	\$124,821,000
30	Catholic Church Insurance Limited (CCI)	VIC	\$1,469,134,000	\$912,189,000	\$556,945,000
31	Australian Military Bank (Australian Defence Credit Union)	NSW	\$1,387,315,000	\$1,291,532,000	\$95,783,000
32	Australian Scholarship Group Friendly Society	VIC	\$1,309,827,000	\$1,216,711,000	\$93,116,000
33	Unity Bank (formerly Maritime, Mining & Power Credit Union)	NSW	\$1,222,335,000	\$1,112,480,000	\$109,855,000
34	Hume Bank	NSW	\$1,208,275,000	\$1,127,427,000	\$80,848,000
35	G&C Mutual Bank / Quay Mutual Bank (Quay Credit Union Ltd)	NSW	\$1,193,999,000	\$1,083,519,000	\$110,480,000
36	Credit Union SA Ltd	SA	\$1,187,268,000	\$1,081,480,000	\$105,788,000
37	Police Credit Union Limited	SA	\$1,135,104,000	\$1,051,790,000	\$83,314,000

Rank	Name	State	Assets (AUD \$)	Liabilities (AUD \$)	Equity (AUD \$)
38	Gateway Credit Union	NSW	\$1,122,905,000	\$1,018,056,000	\$104,849,000
39	Community First Credit Union	NSW	\$1,097,498,000	\$1,004,688,000	\$92,810,000
40	BankofUs (formerly B&E Personal Banking)	TAS	\$993,179,132	\$920,668,298	\$72,510,834
41	Sydney Credit Union	NSW	\$933,985,000	\$846,616,000	\$87,369,000
42	CEHL (Common Equity Housing Ltd)	VIC	\$863,982,695	\$73,879,297	\$790,103,398
43	QBank Limited (formerly Queensland Police Credit Union Ltd)	QLD	\$857,887,000	\$777,231,000	\$80,656,000
44	Maitland Mutual Building Society Ltd	NSW	\$764,494,000	\$714,816	\$49,678,000
45	Summerland Credit Union Limited	NSW	\$748,489,000	\$686,922,000	\$61,567,000
46	MOVE Bank (Formerly Railways Credit Union)	QLD	\$671,203,115	\$605,694,923	\$65,508,192
47	Medical Indemnity Protection Society Ltd (MIPS)	VIC	\$668,943,000	\$340,094,000	\$328,849,000
48	Murrumbidgee Irrigation Limited	NSW	\$657,989,000	\$70,261,000	\$587,728,000
49	Endeavour Mutual Bank	NSW	\$645,654,000	\$558,006,000	\$87,648,000
50	Community Alliance Credit Union	NSW	\$644,412,000	\$599,080,000	\$45,332,000
51	RAA SA	SA	\$603,828,000	\$350,887,000	\$252,941,000
52	Southern Cross Credit Union Ltd	NSW	\$578,014,000	\$521,771,000	\$56,243,000
53	Teachers Health Fund	NSW	\$545,568,814	\$187,221,101	\$358,347,713
54	Coastline Credit Union Ltd	NSW	\$537,962,000	\$496,899,000	\$41,063,000
55	Murray Irrigation Limited	NSW	\$522,450,000	\$80,853,000	\$441,597,000
56	StateCover Mutual Ltd	NSW	\$514,977,000	\$355,150,000	\$159,827,000
57	WAW Credit Union Co-operative	VIC	\$495,823,138	\$463,003,303	\$32,819,835
58	Medical Defence Association of South Australia Limited	SA	\$462,632,000	\$303,888,000	\$158,744,000
59	MDA National	WA	\$446,222,000	\$265,910,000	\$180,312,000
60	Australian Settlements Ltd	NSW	\$433,083,809	\$418,745,358	\$14,338,451
61	EML (formerly Employers Mutual Ltd)	NSW	\$421,934,000	\$271,859,000	\$150,075,000
62	Capricorn Society Ltd	WA	\$414,727,000	\$202,663,000	\$212,064,000
63	GMHBA Limited	VIC	\$410,850,000	\$164,026,000	\$246,824,000
64	Goulburn Murray Credit Union Co-Operative Ltd	VIC	\$402,683,938	\$355,223,241	\$47,460,697
65	Foresters Friendly Society Ltd (Ancient Order of Foresters in Victoria Friendly Society)	VIC	\$376,312,489	\$353,163,039	\$23,149,450
66	Horizon Credit Union Ltd	NSW	\$375,147,942	\$348,937,678	\$26,210,264
67	EECU Limited (trading as Nexus Mutual)	VIC	\$348,335,000	\$328,736,000	\$19,599,000
68	The Capricornian Ltd	QLD	\$348,083,862	\$322,947,061	\$25,136,801
69	Lawcover Pty Ltd	NSW	\$347,728,000	\$220,935,000	\$126,793,000
70	Hunter United Employees Credit Union Ltd	NSW	\$330,350,317	\$308,727,517	\$24,622,800
71	CBHS Health Fund Limited	NSW	\$315,640,000	\$103,934,000	\$211,706,000
72	Northern Inland Credit Union Ltd	NSW	\$313,541,634	\$274,184,622	\$39,357,012
73	Warwick Credit Union Ltd	QLD	\$310,754,694	\$284,767,200	\$25,987,494
74	Central Irrigation Trust (SA)	SA	\$277,303,000	\$8,164,000	\$269,139,000
75	Key Invest Ltd	SA	\$270,534,096	\$237,600,565	\$32,933,531
76	AlmondCo Ltd	SA	\$257,899,000		

Rank	Name	State	Assets (AUD \$)	Liabilities (AUD \$)	Equity (AUD \$)
77	Macarthur Credit Union Ltd	NSW	\$253,843,938	\$228,527,170	\$25,316,768
78	Latrobe Health Services Ltd	VIC	\$229,593,816	\$54,706,078	\$174,887,741
79	Westfund Health Ltd	NSW	\$223,845,924	\$55,165,977	\$168,679,947
80	First Option Credit Union Ltd	NSW	\$220,869,344	\$206,210,964	\$14,658,380
81	Orange Credit Union Ltd	NSW	\$213,867,553	\$186,951,423	\$26,916,130
82	Norco Co-operative Ltd	NSW	\$211,382,000	\$136,180,000	\$64,908,000
83	Laboratories Credit Union Ltd	NSW	\$197,528,271	\$182,747,259	\$14,781,012
84	Coleambally Irrigation Co-operative Ltd	NSW	\$189,941,000	\$18,631,000	\$171,310,000
85	Health Partners Ltd	SA	\$188,896,273	\$34,170,811	\$154,725,462
86	Dnister Ukrainian Credit Co-operative Ltd	VIC	\$186,460,000	\$162,137,000	\$24,323,000
87	South West Slopes Credit Union Ltd	NSW	\$176,229,000	\$154,159,000	\$22,070,000
88	Central West Credit Union Ltd	NSW	\$175,566,000	\$155,463,000	\$20,103,000
89	APS Benefits Group	VIC	\$164,651,021	\$160,204,863	\$4,446,158
90	Australian Friendly Society	VIC	\$164,153,000	\$155,423,000	\$8,730,000
91	South-West Credit Union Co-Operative Ltd	VIC	\$157,519,473	\$146,208,936	\$11,310,537
92	Family First Credit Union Ltd	NSW	\$157,329,136	\$145,038,683	\$12,290,453
93	Queensland Teachers Union Health Fund	QLD	\$157,307,351	\$41,564,116	\$115,743,235
94	YHA Australia Ltd	NSW	\$152,955,588	\$106,742,438	\$46,213,150
95	Northern Co-operative Meat Co. Ltd	NSW	\$151,891,000	\$67,519,000	\$84,372,000
96	Geraldton Fishermen's Co-operative Ltd	WA	\$147,902,053	\$117,309,659	\$30,592,394
97	Ford Co-Operative Credit Society Ltd	VIC	\$144,889,000	\$134,199,000	\$10,690,000
98	Royal Automobile Club of Tasmania	TAS	\$144,062,000	\$59,109,000	\$84,953,000
99	Woolworths Employees Credit Union Ltd	NSW	\$127,150,909	\$117,939,338	\$9,211,572
100	St Luke's Medical & Hospital Benefits Association Ltd	TAS	\$125,673,064	\$32,292,931	\$93,380,132

Notes to Table:

1. This list contains businesses ranked by total assets not turnover and includes several firms that did not appear in the Top 100 lists by turnover (Appendix A), while some of the firms listed there do not appear in this list.
2. Financial information has been sourced in most cases from company annual reports, and where that has not been available from IBISWorld industry reports. All care has been taken to ensure the accuracy of this data; however, it is possible that some information may be incorrect.

APPENDIX D: TOP 100 AUSTRALIAN CME BY MEMBERSHIP FY2018-19

Rank	Name	State	Members
1	NRMA	NSW	2,605,351
2	Australian Super	VIC	2,228,296
3	RACV	VIC	2,100,000
4	Retail Employee's Superannuation Trust (REST)	NSW	2,012,589
5	RACQ	QLD	1,670,000
6	Hospital Contribution Fund (HCF)	NSW	1,500,000
7	Sunsuper	QLD	1,460,805
8	RAC WA	WA	1,150,000
9	HBF Health	WA	1,033,657
10	HOSTPLUS	VIC	994,706
11	Health Employee's Superannuation Trust Australia (HESTA)	VIC	830,000
12	First State Super Fund	NSW	793,245
13	Construction & Building Superannuation (CBUS)	VIC	750,779
14	RAA SA	SA	690,007
15	Credit Union Australia (CUA)	QLD	453,122
16	UniSuper	VIC	441,920
17	People's Choice Credit Union (Australian Central CU)	SA	360,937
18	Heritage Bank Ltd	QLD	316,000
19	Australian Unity	VIC	300,000
20	CareSuper	NSW	247,000
21	Greater Bank (formerly Greater Building Society Ltd)	NSW	240,000
22	Westfund Health Ltd	NSW	240,000
23	VicSuper	VIC	238,000
24	MTAA Superannuation Fund	ACT	237,186
25	Beyond Bank	SA	215,247
26	Teachers Mutual Bank Ltd	NSW	191,415
27	GMHBA Limited	VIC	190,494
28	IMB Limited	NSW	190,000
29	Royal Automobile Club of Tasmania	TAS	184,000
30	LUCRF Super	VIC	163,000
31	Australian Scholarship Group Friendly Society	VIC	155,000
32	Teachers Health Fund	NSW	148,746
33	Statewide Super	SA	142,705
34	Bank Australia (formerly bank mecu)	VIC	130,000
35	Health Insurance Fund of Australia	WA	128,000
36	TWU Super	NSW	120,000
37	Intrust Super Fund	QLD	117,000
38	Tasplan Ltd	TAS	116,300
39	Prime Super	NSW	115,251

Rank	Name	State	Members
40	Bank First (formerly Victoria Teachers Mutual Bank)	VIC	110,583
41	Vision Super Pty Ltd	VIC	109,208
42	BankVic (formerly Police Credit)	VIC	106,263
43	NGS Super Pty Ltd	VIC	97,800
44	CBHS Health Fund Limited	NSW	96,000
45	P&N Bank	WA	94,052
46	Qudos Bank (formerly QANTAS Credit Union)	NSW	93,690
47	Australian Catholic Superannuation and Retirement Fund	NSW	92,444
48	Defence Bank	VIC	90,000
49	Local Government Super	NSW	90,000
50	Latrobe Health Services Ltd	VIC	85,104
51	Building Unions Superannuation Scheme (Qld) (BUSSQ)	QLD	85,000
52	Media Super	VIC	77,158
53	Catholic Superannuation Fund	VIC	77,000
54	Avant Mutual Group	NSW	75,000
55	Equipsuper	VIC	75,000
56	Regional Australia Bank	NSW	70,000
57	Queensland Teachers Union Health Fund	QLD	70,000
58	AMIST Super	NSW	66,223
59	Police Bank	NSW	65,757
60	Mine Super	NSW	64,679
61	First Super	VIC	64,000
62	Bananacoast Community Credit Union	NSW	60,000
63	Queensland Country Credit	QLD	60,000
64	WA Super	WA	60,000
65	Hume Bank	NSW	58,000
66	Community First Credit Union	NSW	55,000
67	Australian Military Bank (Australian Defence Credit Union)	NSW	53,000
68	MDA National	WA	52,000
69	Medical Indemnity Protection Society Ltd (MIPS)	VIC	51,534
70	Police Health	SA	51,000
71	Credit Union SA Ltd	SA	50,000
72	Energy Super	QLD	47,000
73	Legalsuper	VIC	43,542
74	Police Credit Union Limited	SA	42,000
75	Health Partners Ltd	SA	40,052
76	Gateway Credit Union	NSW	40,000
77	Unity Bank (formerly Maritime, Mining & Power Credit Union)	NSW	40,000
78	G&C Mutual Bank / Quay Mutual Bank (Quay Credit Union Ltd)	NSW	36,000
79	Peoplecare Health Insurance	NSW	35,235

Rank	Name	State	Members
80	Endeavour Mutual Bank	NSW	32,422
81	Newcastle Permanent	NSW	31,482
82	BankofUs (formerly B&E Personal Banking)	TAS	30,000
83	Christian Super	NSW	30,000
84	Maritime Super	NSW	30,000
85	REI Super	VIC	30,000
86	WAW Credit Union Co-operative	VIC	30,000
87	StateCover Mutual Ltd	NSW	30,000
88	APS Benefits Group	VIC	29,000
89	Community Alliance Credit Union	NSW	26,897
90	QBank Limited (formerly Queensland Police Credit Union Ltd)	QLD	26,000
91	Meat Industry Employees' Superannuation Fund	VIC	24,050
92	MOVE Bank (Formerly Railways Credit Union)	QLD	22,000
93	Medical Defence Association of South Australia Limited	SA	21,953
94	Automobile Association of Northern Territory	NT	20,000
95	Service One Alliance Bank	ACT	20,000
96	Navy Health Ltd	VIC	19,000
97	Woolworths Employees Credit Union Ltd	NSW	19,000
98	Capricorn Society Ltd	WA	18,850
99	Community Co-op Store (Nuriootpa) Ltd	SA	18,000
100	Coastline Credit Union Ltd	NSW	17,205

Notes to Table:

1. Not all CMEs make their membership numbers publicly available. This list has been compiled using data sourced from their websites, annual reports, and secondary sources such as IBISWorld. In some cases, these figures may represent an estimate of numbers by the source.

About the author:

Tim Mazzarol is a Winthrop Professor in Entrepreneurship, Innovation, Marketing and Strategy at the University of Western Australia and an affiliate Professor with the Burgundy School of Business, Groupe ESC Dijon, Bourgogne, France. He is also the Director of the Centre for Entrepreneurial Management and Innovation (CEMI), an independent initiative designed to enhance awareness of entrepreneurship, innovation, and small business management, and the Co-ordinator of the Co-operative Enterprise Research Unit at UWA. Tim is also a Qualified Professional Researcher (QPR) as recognised by the Australian Research Society (ARS), and a founder Director of the Commercialisation Studies Centre (CSC) Ltd. Tim is also a Fellow of the Australian Institute of Management WA, and a life member of the Small Enterprise Association of Australia and New Zealand (SEAAANZ). He has over 20 years of experience of working with small entrepreneurial firms as well as large corporations and government agencies. He is the author of several books on entrepreneurship, small business management and innovation. He holds a PhD in Management and an MBA with distinction from Curtin University of Technology, and a Bachelor of Arts with Honours from Murdoch University, Western Australia.