

Looking Back, Looking Forward:

The Economic and Social Contribution
of the Western Australian Co-operative
and Mutual Enterprise Sector to the
State's Development

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LOOKING BACK – LOOKING FORWARD

THE ECONOMIC AND SOCIAL CONTRIBUTION OF THE WESTERN AUSTRALIAN CO-OPERATIVE AND MUTUAL ENTERPRISE SECTOR TO THE STATE'S DEVELOPMENT

Aims of the study

The Co-operative and Mutual Enterprise (CME) sector makes a significant economic and social contribution to the regional and national economies.

However, relatively few longitudinal studies have examined the nature of this contribution.

Key areas of focus:

- The main economic and social contributions.
- The role of social cooperation and social capital in the establishment and sustainability of these CMEs.
- The role of government legislation and policy in shaping the growth and decline of these CMEs.
- The role of these CMEs within their respective industries.
- The impact of environmental factors and the CMEs' response.
- How these CMEs business models adapted and changed over time.

The Research Team



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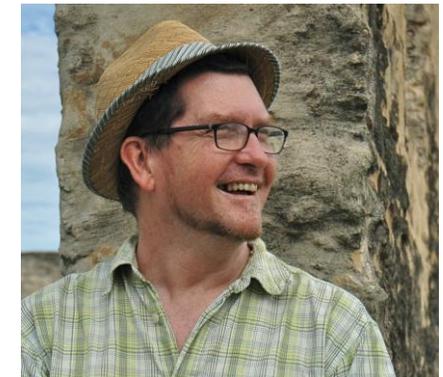
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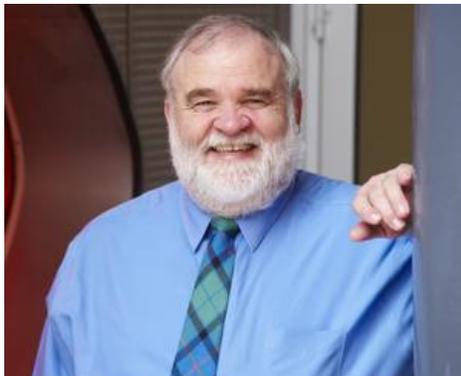
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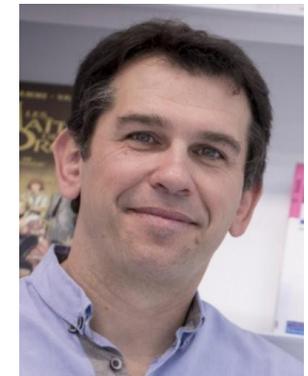
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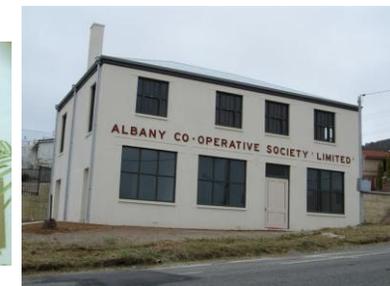


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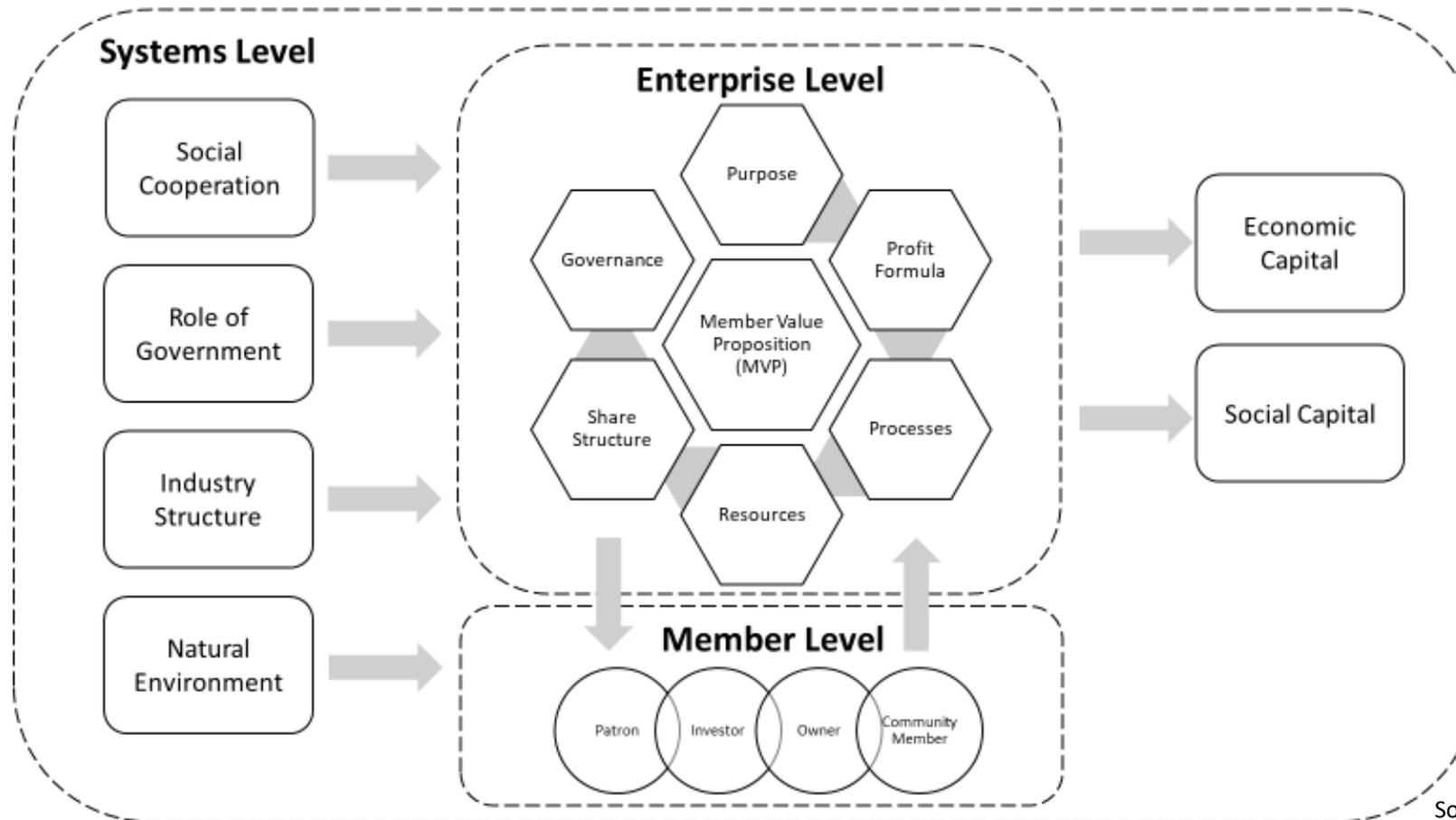
Partner Investigators



Other Primary Cases



Research Framework



Source: Mazzarol (2024)

NCBA CLUSA Research Framework

The National Cooperative Business Association (NCBA) CLUSA International Research Framework examines the impact of co-operative enterprises across seven key areas, leading to equitable, healthy and sustainable communities.

Framework Elements	Description of Element
Access	Access refers to a cooperative's ability to expand members' access to products and services that have historically been difficult to obtain, primarily by lowering transaction costs.
Business sustainability	Business sustainability is the capacity of the cooperative business model to enhance firm survival and profitability by increasing revenue, reducing revenue volatility, lowering operational costs, and focusing on long-term outcomes such as scaling up to improve market competitiveness.
Community commitment	Community commitment describes the cooperative's role in supporting its community, including contributions to education, financial assistance, facility sharing, and adopting business practices that align with community values.
Democratic governance	Democratic governance and empowerment refer to the cooperative's role in ensuring members actively participate in and shape the organization's mission and decisions, fostering broader civic and political engagement.
Equity, diversity, and inclusion	Equity, diversity, and inclusion indicates that cooperative membership reflects the community's diversity in terms of race, gender, age, and ability. It also ensures that historically excluded individuals and communities have a voice and opportunities for leadership.
Financial security and advancement for workers	Financial security and advancement for workers highlights how cooperatives can best serve their members, employees, and communities by offering living-wage jobs with benefits, opportunities for wealth building, career growth, training, leadership development, and fostering high job satisfaction with lower turnover.
Growth	Growth refers to the cooperative's ability to drive regional or national economic development by creating stable jobs, maintaining high industry standards, delivering consistent services, and generating economic multiplier effects through local investment, job creation, and procurement.

Source: Theodos, Scally & Edmonds (2018)

Cases and data analysis

59 cases studies collected – 28 Australian, 31 from other countries.

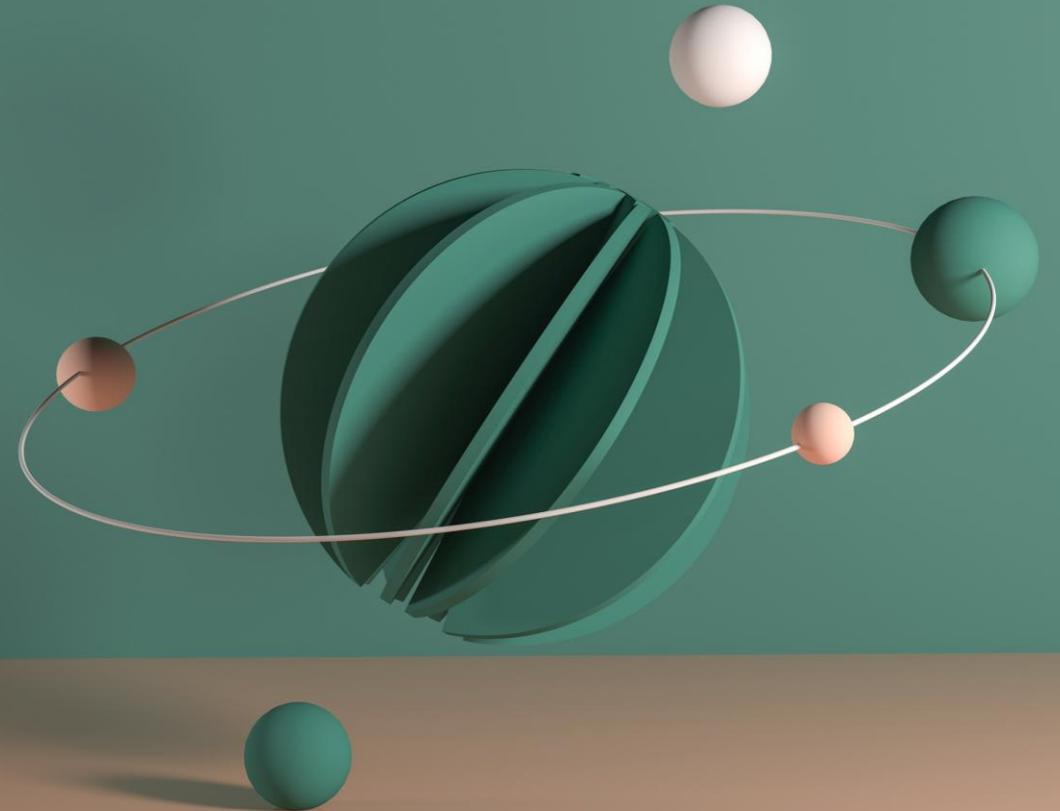
34 cases chosen as primary, remaining 25 used as comparison cases.

Data analysis involved:

- A systematic literature review of CME research.
- Data collection.
- Writing longitudinal case studies.
- Development of a coding manual.
- Data Analysis – within case and cross-case.
 - Use of NVivo and Copilot (AI) software.
 - NVivo – four-stage process of coding source data with research framework.
 - Copilot – three-stage process in collaboration with NVivo.

Systems level inputs

Social co-operation, government,
industry structure, and the natural
environment.



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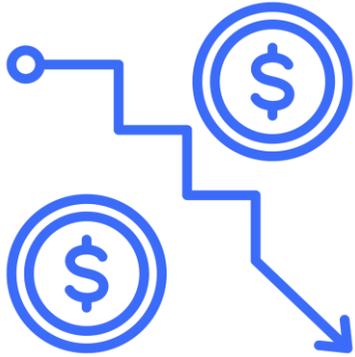
The role of social cooperation

CMEs are founded where their community possesses strong social capital and share common goals, values and community spirit.

This can be examined via several factors:

- **Causes** – usually economic and/or social problems.
- **Social cooperation** – the community's motivation, mobilisation, and resources applied to address the problems.
- **The role of key actors** – key people and organisations.
- **Knowledge of CMEs** – Prior knowledge of CMEs within the community.

Social Cooperation: common themes



Economic Problems

Market Dominance by Large Firms

Many co-operatives were formed to counter the control of prices and market dominance by larger companies.

High Costs and Inefficiencies

Economic pressures such as high costs of handling, transportation, and inefficiencies were common challenges.



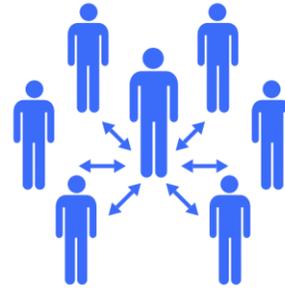
Social Problems

Community Fragmentation & Isolation

Many co-operatives addressed issues of community fragmentation and isolation, providing a sense of solidarity and mutual support.

Economic Vulnerability:

Addressing economic vulnerability and providing stable employment opportunities were common goals.



Motivation, Mobilisation & Resources

Economic Challenges as Motivation

Economic challenges were often the primary motivation for the formation of co-operatives.

Formation and Mobilization of Resources

Many co-operatives were formed in response to economic and social challenges, pooling resources to overcome common issues.

Community Engagement and Support

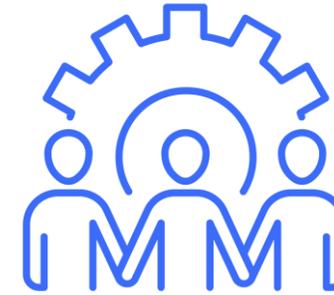
Active engagement with the community was a common theme, providing support and fostering mutual cooperation.

Community and Government Support

Mobilization often involved community engagement and government support, with resources pooled from various stakeholders.

Governance & Member Participation

Inclusive governance structures ensured that members had a voice in decision-making processes.



People & Organisations

Key People:

Influential Leaders: Key individuals played significant roles in guiding the co-operatives through various challenges, providing leadership and strategic decision-making.

Key Organizations:

Government Support and Legislation: Many co-operatives benefited from government support and legislation, which played a crucial role in their establishment and sustainability.

Industry Associations and Collaborations:

Collaboration with industry associations and other organizations was a common theme.



Knowledge of CMEs

Understanding and Leveraging Co-operative Models

Many co-operatives had a deep understanding of co-operative principles and leveraged them for their success.

Educational Efforts and Member Engagement

Education and engagement of members were crucial for the sustainability of the co-operatives.

Social Cooperation

Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
- Co-operative Bulk Handling Group Ltd.
- Mount Barker Co-operative Ltd.
- Ord River District Co-operative Ltd.
- Perth Building Society Ltd.
- Quairading Farmers Co-operative Ltd.
- York & District Co-operative Ltd.

Financial prudence and sustainability were consistent themes across these co-operatives. They focused on maintaining financial stability, paying regular dividends and rebates to their members, and building reserves for future challenges. This financial prudence ensured their long-term viability and success.

Innovation and technological advancement were crucial for the modernization and competitiveness of these co-operatives. The adoption of new technologies and practices helped improve their operations and better meet the needs of their members. For instance, CBH's adoption of climate-controlled silos and moisture meters improved grain handling and storage processes.



All these co-operatives were founded on the principles of mutual benefit, democratic control, and member engagement. These principles ensured that the organizations remained focused on the needs and interests of their members, promoting a sense of ownership and loyalty among the members

Each of these co-operatives benefited from government support and collaboration with industry players. For example, the WA Government provided legislative support through acts such as the Co-operative and Provident Societies Act 1903 (WA), which facilitated the establishment and operation of these co-operatives. Additionally, organizations like Wesfarmers played a significant role in supporting and advocating for co-operatives.

Community engagement and support were vital for the success and sustainability of these co-operatives. Regular meetings, transparent reporting, and addressing member concerns helped build trust and loyalty among the members. The co-operatives also played a significant role in supporting local communities by providing employment, services, and essential goods.

Strategic planning and diversification were common themes among these co-operatives. They continuously evaluated and adapted their business strategies to mitigate risks and explore new business opportunities. For example, the diversification into different crops and industries helped co-operatives like ORDCO and MBC mitigate risks associated with reliance on a single crop.

The role of government

Governments play a critical role in shaping the success of CMEs through legislation, regulation and deregulation. They can also collaborate, assist and build infrastructure.

This can be examined via several factors:

- **Legislation** – The provision of dedicated CME legislation can be a valuable enabler.
- **Regulation** – Government agencies that regulate CMEs can be both beneficial and non-beneficial.
- **Deregulation** – Government policy to deregulate markets can have negative impacts on CMEs.
- **Collaboration** – CMEs collaboration with government can be important and mutually beneficial.
- **Assistance** – Government support to CMEs has been a key feature of their success and sustainability.
- **Infrastructure** – Government’s provision of public infrastructure (e.g., rail, road, ports) benefits CMEs.

The Role of Government

Selected Case Examples – Common Themes

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- York & District Co-operative Ltd.

Across these case studies, **government support played a pivotal role** in shaping the development, operations, and sustainability of co-operatives. Market regulation and deregulation assisted and also challenged these companies.

During the Great Depression, the WA Government passed the **Debts Adjustment Amendment Act 1931 (WA)**, providing relief to farmers. **Bulk Handling Act 1935 (WA)** provided the legal foundation upon which CBH Group Ltd., was able to expand and build the network of bulk grain handling and storage across the Wheatbelt.



The role of industry structure

Industry structure is shaped by five major factors which determine how competitive the industry is. These factors are:

- **Market competition** – markets can be highly competitive, or monopolistic or oligopolistic in nature. CMEs can address market failures.
- **Supplier bargaining power** – CMEs can enhance supplier power via collective action.
- **Buyer bargaining power** – CMEs can enhance buyer power via collective action.
- **Threat of new market entrants** – new entrants can enhance or reduce market competitiveness.
- **Threat of substitutes** – substitutes strengthen or weaken market competition.

Source: Porter (2008)

Industry Competitive Forces

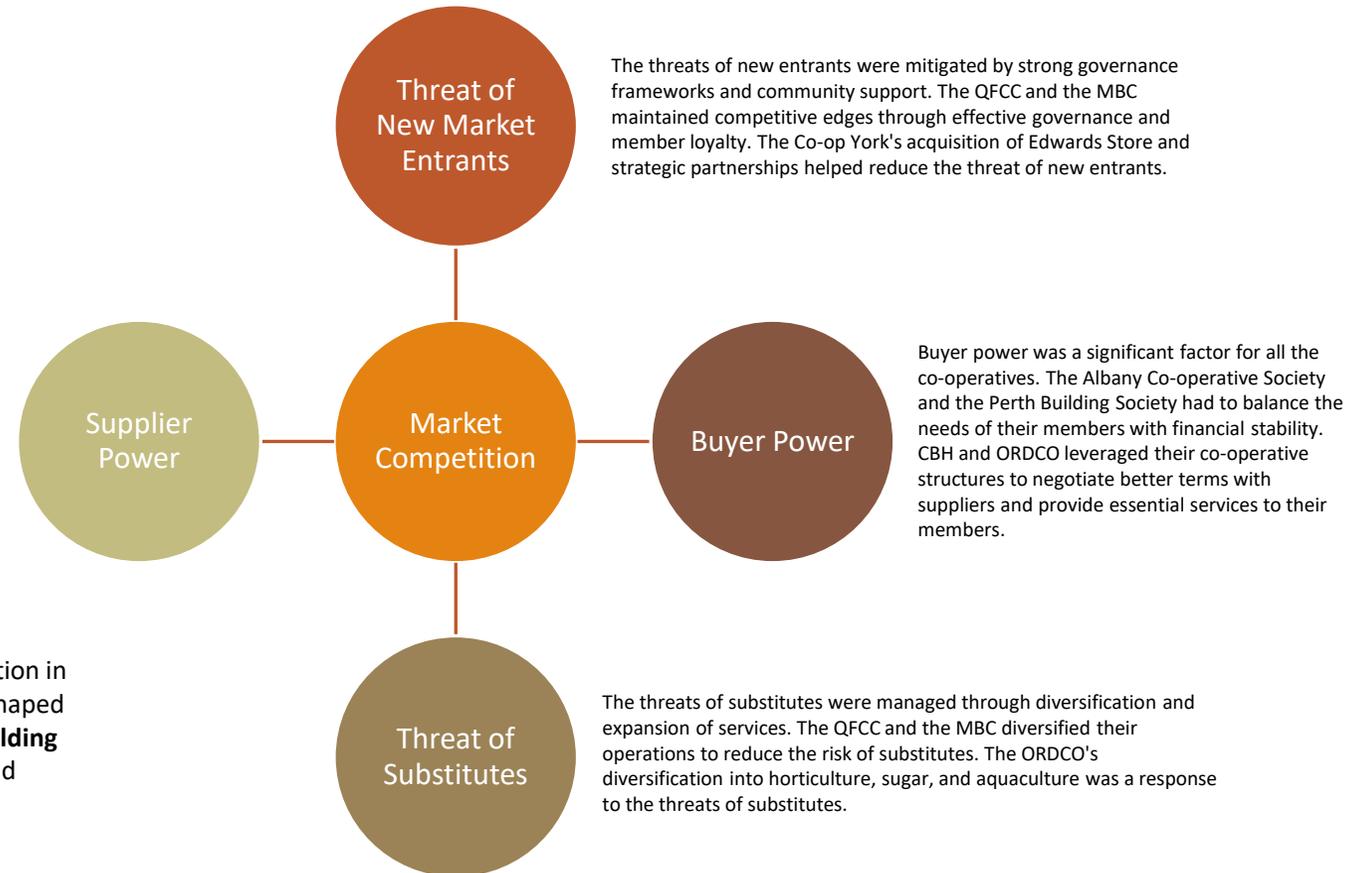
Selected Case Examples – Common Themes

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- York & District Co-operative Ltd.

Supplier power varied among the co-operatives. The QFCC and the York and District Co-operative managed supplier power through strategic partnerships and agency agreements. The MBC navigated relationships with various suppliers to secure better terms for fruit exports and other products.

Market Competition: All the co-operatives faced significant market competition in their respective industries. For instance, the **Albany Co-operative Society** reshaped the commercial landscape by addressing high food prices, while the **Perth Building Society** had to modernize its operations to stay competitive. Similarly, **CBH** and **ORDCO** had to continuously innovate and diversify to maintain their market positions.



The role of the natural environment

The natural environment can impact CMEs and force them to adapt or decline.

This can be examined via several factors:

- **Geography & topography** – natural and artificial features that appear to be static but can impact the CME in a positive or negative way, and can be transformed, leading to further change within the CME.
- **Climate & weather** – the impact of climate and weather to enhance or hinder the CME due to climate change requiring the CME to adapt and adopt sustainability practices.
- **Diseases & public health** – CMEs are impacted by diseases and infestations that can have negative effects but may also adapt to turn these into opportunities for success.
- **Landscape & pollution** – the loss or degradation of soils, water supplies and natural habitat can be a serious challenge, but also an opportunity for CMEs.

Geography and Topography

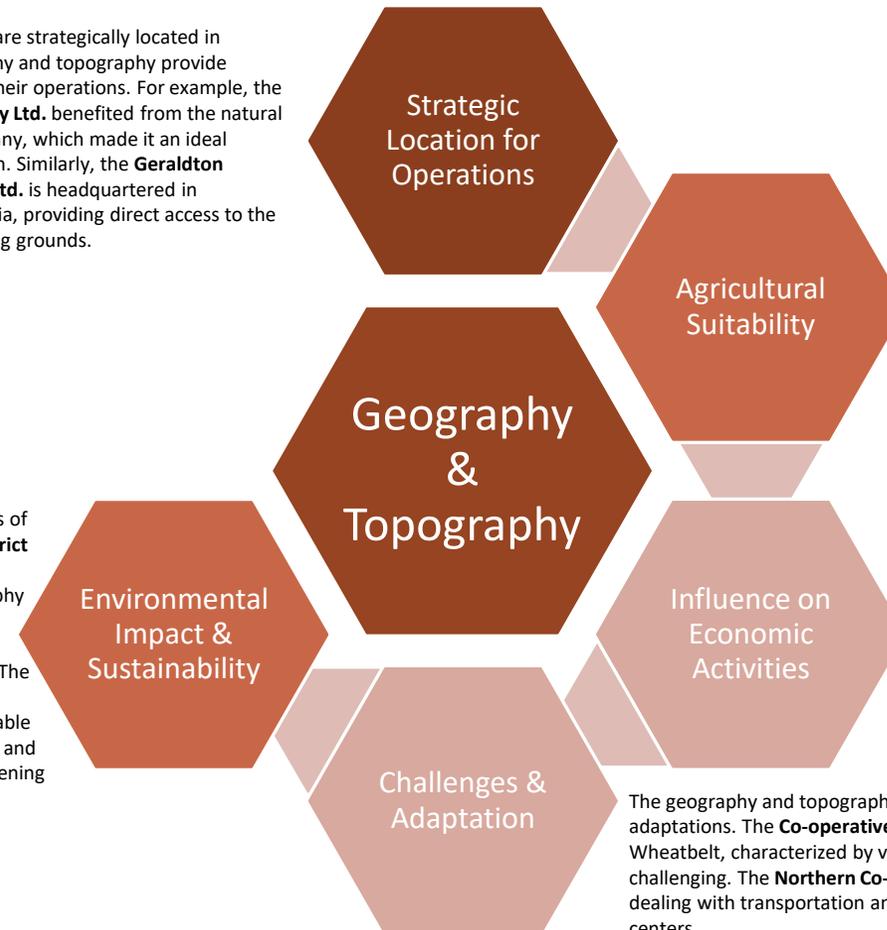
Selected Case Examples – Common Themes

Case Studies

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- Cobargo Co-operative Society Ltd.
- Community Co-operative Store (Nuriootpa) Ltd.
- Co-operative Bulk Handling Group Ltd.
- Geraldton Fishermen's Co-operative Ltd.
- HunterNet Co-operative Ltd.
- Mount Barker Co-operative Ltd.
- Northern Co-operative Meat Co. Ltd.
- Ord River District Co-operative Ltd.
- Perth Building Society Ltd.
- Quairading Farmers Co-operative Ltd.
- United Crate Co-operative Ltd.
- York & District Co-operative Ltd.

Many of the co-operatives are strategically located in regions where the geography and topography provide significant advantages for their operations. For example, the **Albany Co-operative Society Ltd.** benefited from the natural harbour topography of Albany, which made it an ideal location for a coaling station. Similarly, the **Geraldton Fishermen's Co-operative Ltd.** is headquartered in Geraldton, Western Australia, providing direct access to the Indian Ocean and rich fishing grounds.

The natural environment has also influenced the sustainability practices of the co-operatives. The **Ord River District Co-operative Ltd.** operates in the Kimberley Region, where the geography and topography required the development of effective irrigation systems to manage water resources. The **United Crate Co-operative Ltd.** has leveraged the fertile soils and favourable topography of regions like Carnarvon and Manjimup to support its market gardening sector.



The geography and topography of several regions have been crucial for agricultural activities. The **Cobargo Co-operative Society Ltd.** is in the Bega district, which comprises a narrow coastal plain at the base of a heavily forested steep mountainous escarpment, providing fertile soils suitable for dairy farming. The **Mount Barker Co-operative Ltd.** is situated in the Great Southern region of Western Australia, characterized by gently rolling hills and fertile valleys that support various agricultural activities.

The natural environment has significantly influenced the economic activities of the co-operatives. The **Community Co-operative Store (Nuriootpa) Ltd.** is in the Barossa Valley, where the geography and topography have driven the development of the wine and tourism industries. The **HunterNet Co-operative Ltd.** operates in the Hunter region of New South Wales, where the diverse geography and topography have historically supported industries such as coal mining, agriculture, and viticulture.

The geography and topography of certain regions have posed challenges that required adaptations. The **Co-operative Bulk Handling Ltd.** operates in the Western Australia Wheatbelt, characterized by variable soils and low rainfall, making agricultural production challenging. The **Northern Co-operative Meat Co. Ltd.** is in a rural area, which means dealing with transportation and logistics challenges due to the distance from urban centers.

Sustainability

Selected Case Examples – Common Themes

Case Studies

- Bank Australia Ltd.
- Cobargo Co-operative Society Ltd.
- Community Co-operative Store (Nuriootpa) Ltd.
- Common Equity Housing Ltd.
- Co-operative Bulk Handling Group Ltd.
- Galactic Co-operative Ltd.
- Geraldton Fishermen's Co-operative Ltd.
- Kudos Child & Youth Services Mutual Ltd.
- Mount Barker Co-operative Ltd.
- Northern Co-operative Meat Co. Ltd.
- Ord River District Co-operative Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- UFS Dispensaries Ltd.
- United Crate Co-operative Ltd.
- Yenda Producers Co-operative Ltd.

Many of the co-operatives had to adapt to the specific climate and weather conditions of their regions to ensure sustainability. For example: **Cobargo Co-operative Society Ltd.** had to adapt to extended droughts by installing sprinkler irrigation systems. **Geraldton Fishermen's Co-operative Ltd.** adjusted its operations to the seasonal variations in the breeding and migration patterns of rock lobsters. **Yenda Producers Co-operative Ltd.** faced challenges due to the semi-arid climate and had to implement effective irrigation systems.

Public health considerations were integral to the sustainability efforts of several co-operatives: **Kudos Child & Youth Services Mutual Ltd.** focused on delivering services within the client's natural environment to offer better outcomes. **UFS Dispensaries Ltd.** played a crucial role in public health initiatives, such as setting up testing and vaccination clinics during pandemics. **Rumbalara Aboriginal Co-operative Ltd.** addressed health disparities through its holistic service delivery model.

Government and regulatory support were crucial in addressing environmental challenges: **Co-operative Bulk Handling Ltd.** benefited from government initiatives like the 'War on Salinity' and the National Action Plan for Salinity and Water Quality. **Yenda Producers Co-operative Ltd.** was actively involved in the discussions leading to the Murray-Darling Basin Plan to ensure water sustainability. **Ord River District Co-operative Ltd.** relied on government support for the construction of dams and irrigation systems to manage water resources effectively.



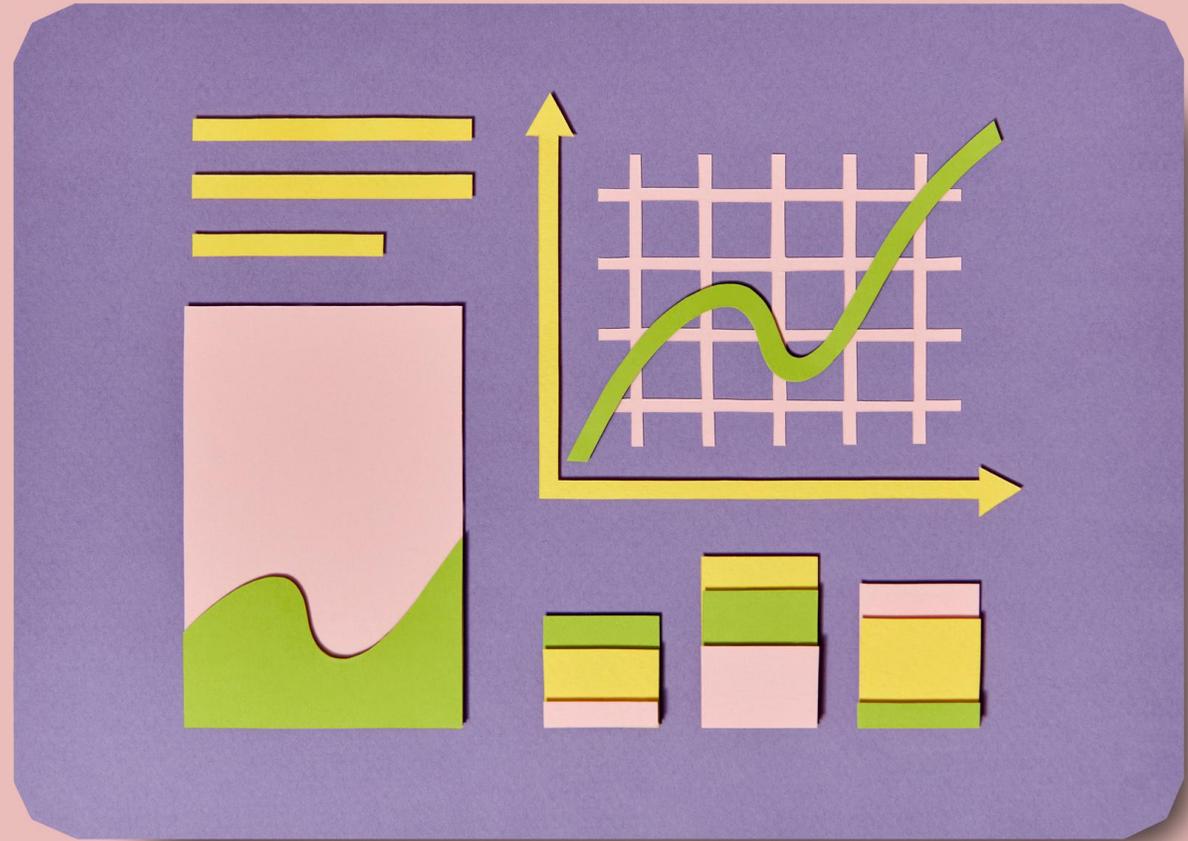
Several co-operatives focused on sustainable agricultural practices to ensure long-term viability: **Mount Barker Co-operative Ltd.** introduced new agricultural techniques, such as the use of subterranean clovers to improve poor-quality soils. **Northern Co-operative Meat Co. Ltd.** implemented various initiatives to reduce its environmental impact, such as building its own water treatment plant. **Co-operative Bulk Handling Ltd.** addressed soil erosion and salinity issues through government initiatives and agricultural practices.

Many co-operatives demonstrated a commitment to community and environmental responsibility: **Bank Australia Ltd.** invested in community projects and focused on responsible banking practices. **Common Equity Housing Ltd.** promoted co-operation and the sharing of responsibilities to build a sense of community responsibility. **Rumbalara Aboriginal Co-operative Ltd.** emphasized the interconnectedness of community well-being, including health, financial stability, and social support.

Technological innovations played a significant role in enhancing sustainability: **Community Co-operative Store (Nuriootpa) Ltd.** invested in modernizing its facilities and adopting technological innovations to improve operational efficiency. **Galactic Co-operative Ltd.** developed the Sealed PC to withstand corrosive environments, reducing electronic waste. **United Crate Co-operative Ltd.** introduced plastic crates that are more durable and can be recycled, reflecting a commitment to sustainable practices.

Enterprise level factors

Purpose, member value proposition, profit formula, processes, resources, share structure and governance.



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Enterprise Level Factors – Common Themes (27 Cases)



Purpose

Community Support & Engagement

Many co-operatives emphasize community support and engagement, providing employment, essential goods, and services to the local community, fostering a sense of belonging and loyalty (e.g. **Mount Barker Co-op Ltd.** and **Quairading Farmers' Co-op C. Ltd.**).

Many also focus on community involvement, supporting local initiatives and enhancing the well-being of their members and their families (e.g. **Kudos Child & Youth Services Mutual Ltd.** and **Geraldton Fishermen's Co-op Ltd.**).



Member Value Proposition

Economic Benefits

Many co-operatives emphasize providing economic benefits to their members by offering competitive prices, rebates, and dividends (e.g., **Northern Co-op Meat Co. Ltd.** and **Independent Liquor Group Ltd.**).

Others focused on providing financial services at affordable costs (e.g., **Bank Australia Ltd.** and **Common Equity Housing Ltd.**).



Governance

Board Composition & Stability

The **Mount Barker Co-op Ltd.** saw changes in its board composition and leadership over the years, with long-serving members providing stability and continuity. The **Quairading Farmers' Co-op Co. Ltd.** experienced a high turnover of chairpersons in the 1920s, which contrasted with the stability seen in neighbouring co-operatives.

Economic Empowerment & Member Benefits

Co-operatives like **Northern Co-operative Meat Co. Ltd.** and **Independent Liquor Group Ltd.** aim to economically empower their members by providing better terms and prices for their products and services⁶.

Bank Australia Ltd. and **Common Equity Housing Ltd.** focus on providing affordable and stable housing, which is crucial for their members' financial well-being.

Diverse Range of Services

Mount Barker Co-operative Ltd. and **Quairading Farmers' Co-operative Company Ltd.** offer a wide range of services, including retailing, hardware, and fuel services.

Bank Australia Ltd. and **Common Equity Housing Ltd.** focus specifically on providing financial and housing services to their members.

Executive Management Approach

Evosens (SCOP) emphasizes autonomy and collective responsibility, and the autonomy of project leaders and employee-partners. The **Northern Co-op Meat Co. Ltd.** focuses on expertise in technical and compliance controls.

The **Galactic Co-op Ltd.** executive management team emphasizes democratic decision-making and member participation. **Kudos Services Mutual Ltd.** works with the board and the Members' Advisory Council (MAC) ensuring the strategic goals of the mutual are met.

Sustainability & Long-Term Viability

Geraldton Fishermen's Co-operative Ltd. and **Co-operative Bulk Handling Ltd.** emphasize sustainability and long-term viability, implementing practices to ensure the sustainability of their industries.

Kudos Child & Youth Services Mutual Ltd. and **Ord River District Co-operative Ltd.** also focus on sustainability, ensuring their operations are environmentally friendly and sustainable in the long term.

Strategic Planning & Diversification

Ord River District Co-operative Ltd. and **Northern Co-operative Meat Co. Ltd.** emphasize strategic planning and diversification to mitigate risks and ensure long-term success.

Evosens Co-operative & Participative Company (SCOP) and **Galactic Co-operative Ltd.** focus on innovation and technological advancements to stay competitive in their respective industries.

Member Participation Mechanisms

Common Equity Housing Ltd. provides for member participation through voting rights, general meetings, and the ability to stand for election to the board. **HunterNet Co-op Ltd.** has a multi-stakeholder structure that includes various types of members, each with different roles and responsibilities. The **Geraldton Fishermen's Co-op Ltd.** engages its members through trade visits to China, and awareness of the company's long-term strategies.

Advocacy & Representation

Ord River District Co-operative Ltd. and **HunterNet Co-operative Ltd.** serve as the voice of their members, advocating on their behalf to public servants, scientific advisors, and elected politicians.

Northern Co-operative Meat Co. Ltd. and **Geraldton Fishermen's Co-operative Ltd.** also play significant roles in advocating for sustainable practices and working with government bodies.

Regulatory & Governance Structures

Perth Building Society Ltd. and **Northern Co-operative Meat Co. Ltd.** have specific regulatory frameworks that influence their operations and strategies.

Kudos Child & Youth Services Mutual Ltd. and **HunterNet Co-operative Ltd.** have governance structures that include member participation and advisory councils to ensure member engagement and strategic input.

Regulatory Compliance

The **Northern Co-operative Meat Co. Ltd.** complies with various government regulations and standards to ensure its operations do not pose a risk to public health. The **Geraldton Fishermen's Co-op Ltd.** works with the WA government and the state Department of Fisheries to impose quotas and catch limits to ensure the sustainability of fish stocks.

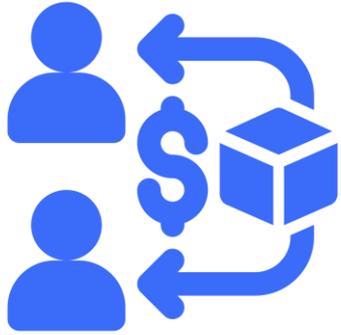


Member level factors

Paton, investor, owner and member of a community of purpose.

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Member Level Factors: common themes



Patron

Active Participation as Patrons

Members of the co-operatives played a crucial role as patrons by actively participating in the co-operative's operations and utilizing its services.

Economic Pressures

Members often face economic pressures that affect their ability to patronise the co-operative consistently.

Service Quality

Ensuring that the co-operative consistently provides high-quality goods and services is a challenge.



Investor

Member Investment is Critical

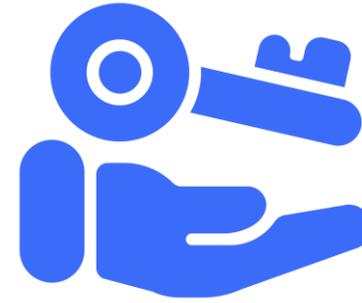
Members also play a significant role as investors by contributing financially to the co-operatives.

Financial Risk

Members who invest in the co-operative take on financial risks. They contribute the co-operative's capital through the purchase of shares, which provide the necessary funds for its operations.

Return on Investment

Ensuring a satisfactory return on investment can be challenging. Many firms do not distribute share dividends and rely upon rebates, discounts, and indirect benefits by investing in common use services and infrastructure (e.g., **CBH Group Ltd.**, and **RAC WA**).



Owner

Active Member Participation

As owners, members had a direct say in the governance and decision-making processes of the co-operatives.

Governance Participation

Active participation in governance can be demanding. Getting members to engage in decision-making processes and attend general meetings to have a say in the co-operative's operations is not always easy.

Strategic Decision-Making

Making strategic decisions that align with the co-operative's goals and members' interests is crucial. For example, members of the more successful firms participated in annual general meetings, voting on important issues and electing the board of directors.



Member of Community of Purpose

United by Common Goals & Values

Members of the co-operatives formed a community of purpose, united by common goals and values.

Community Engagement

Building and maintaining a strong sense of community and mutual support can be challenging. Co-operatives must foster a strong sense of community among its members, which is essential for its sustainability.

Shared Goals and Values

Ensuring that all members are aligned with the co-operative's vision, mission, and values is vital. The co-operative's commitment to the social and economic well-being of the local community reflected its members' shared goals.

Systems level outputs

Economic and social capital
creation.



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Economic Outputs (Financial Distribution) Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
- Bank Australia Ltd.
- Cobargo Co-operative Society Ltd.
- Community Co-operative Store (Nuriootpa) Ltd.
- Evosens Co-operative & Participative Co. (SCOP)
- Mount Barker Co-operative Ltd.
- Perth Building Society Ltd.
- Quairading Farmers Co-operative Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- United Farmers' Co-operative Co. Ltd.
- Yenda Producers Co-operative Ltd.

Some co-operatives focus on reinvesting profits into innovation and ongoing employee training. For example, **Evosens Co-operative & Participative Company (SCOP)** reinvests profits into innovation and training, ensuring financial stability. The **Perth Building Society Ltd.** reinvested loan repayments to provide a steady stream of funds for new loans.



Economic Outputs (Better Pricing)

Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
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- Northern Co-operative Meat Co. Ltd.
- Ord River District Co-operative Ltd.
- Perth Building Society Ltd.
- Quairading Farmers Co-operative Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- Toutenvélo Co-operative & Participative Co. (SCOP)
- United Farmers' Co-operative Co. Ltd.
- Yenda Producers Co-operative Ltd.

Many co-operatives leverage their collective buying power to negotiate better deals with suppliers, which they then pass on to their members. For example, the **Albany Co-operative Society Ltd.** offered goods at lower prices compared to local storekeepers by requiring cash transactions rather than store credit. Similarly, the **Bank Australia Ltd.** ensured competitive pricing by actively measuring how its interest rates, fees, and charges compared with the "big four" banks. The **Cobargo Co-operative Society Ltd.** also provided better pricing for its members by introducing technologies and maintaining competitive prices.

Sustainable practices help co-operatives offer better pricing by reducing waste and optimizing resources. The **Galactic Co-operative Ltd.** focused on sustainability and innovation to provide better pricing. The **Toutenvélo Co-operative and Participative Company (SCOP)** offered competitive pricing through efficient logistics solutions and scalable transport tools.



Several co-operatives achieve better pricing through bulk purchasing and centralized services. The **Community Co-operative Store (Nuriootpa) Ltd.** offered competitive pricing by reducing labor costs and becoming a franchisee for the Foodland and later IGA supermarket chains. The **Co-operative Bulk Handling Ltd.** maintained efficiency and reinvestment to offer better pricing. The **Common Equity Housing Ltd.** provided better pricing for housing by pooling resources and leveraging collective buying power.

Technological advancements play a significant role in enabling co-operatives to offer better pricing. The **Evosens Co-operative & Participative Company (SCOP)** optimized costs and performance before production to ensure competitive pricing. The **Geraldton Fishermen's Co-operative Ltd.** invested in distribution and marketing centers in China to capture more value and offer better pricing. The **Galactic Co-operative Ltd.** provided better pricing through sustainable products and innovative solutions like 3D printing parts for equipment repairs.

Efficient operations contribute to better pricing by reducing costs and improving productivity. The **Mount Barker Co-operative Ltd.** leveraged its collective buying power to provide better pricing for its members. The **Northern Co-operative Meat Co. Ltd.** maintained competitive rates by implementing efficient operations and infrastructure investments. The **Ord River District Co-operative Ltd.** negotiated better terms with suppliers to offer better pricing.

Economic Outputs (Low Transaction Costs) Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
- Cobargo Co-operative Society Ltd.
- Geraldton Fishermen's Co-operative Ltd.
- Northern Co-operative Meat Co. Ltd.
- Rumbalara Aboriginal Co-operative Ltd.

Efficient logistics and supply chain management were also key themes. Co-operatives like the **Geraldton Fishermen's Co-operative** developed sophisticated logistics management systems to reduce transaction costs and ensure the quality and safety of their products during transportation.

Some co-operatives adopted integrated service delivery models to lower transaction costs. The **Rumbalara Aboriginal Co-operative**, for example, provided a wide range of integrated services in one place, reducing the need for members to seek multiple service providers and lowering overall transaction costs.



Many co-operatives implemented policies that required cash transactions rather than store credit. This approach significantly reduced transaction costs by avoiding high-interest rates and debt traps associated with credit purchases. For example, the **Albany Co-operative Society's** policy of cash transactions helped members manage their finances more effectively and avoid financial strain.

Several co-operatives centralized the purchasing and distribution of goods, which helped lower transaction costs for their members. By pooling resources and negotiating better deals with suppliers, co-operatives could offer competitive prices and reduce the costs associated with individual transactions. The **Cobargo Co-operative Society**, for instance, provided a centralized platform for the sale and distribution of dairy products, reducing the need for individual farmers to negotiate and manage their own sales.

The establishment of bulk handling and storage facilities was another common theme that contributed to lower transaction costs. Co-operatives like the **South Australian Co-operative Bulk Handling Ltd. (SACBH)** introduced bulk handling and storage systems that reduced the need for manual handling and transportation of grain, leading to lower labor costs and reduced spoilage.

Investments in technological advancements also played a significant role in lowering transaction costs. Co-operatives like the **Northern Co-operative Meat Co. Ltd.** invested in technologies such as the hot standard carcass weight (HSCW) system and their own water treatment plant to reduce operational costs and ensure sustainability.

Social Capital Outputs (Trust)

Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
- Bank Australia Ltd.
- Cobargo Co-operative Society Ltd.
- Common Equity Housing Ltd.
- Geraldton Fishermen's Co-operative Ltd.
- Mount Barker Co-operative Ltd.
- Northern Co-operative Meat Co. Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- South Australia Co-operative Bulk Handling Ltd.
- York and District Co-operative Ltd.

Many co-operatives build trust through consistent and transparent operations. For example, the **Albany Co-operative Society Ltd.** consistently provided cheaper goods and accepted cash payments rather than credit, helping members avoid debt and manage their finances effectively. Similarly, the **Cobargo Co-operative Society Ltd.** built trust through its consistent and transparent operations, navigating financial challenges and natural disasters effectively.

Engaging with and supporting the community is another key strategy for building trust. The **Rumbalara Aboriginal Co-operative** built trust through its holistic service delivery model and culturally sensitive approach. The **York and District Co-operative Ltd.** built trust through its consistent and transparent operations and its role in providing essential services and employment opportunities.



Democratic governance is another common theme in trust-building strategies. Co-operatives like the **Common Equity Housing Ltd.** promote co-operation and collective responsibility, fostering trust among members. The **South Australia Co-operative Bulk Handling Ltd. (SACBH)** also built trust through its one-member-one-vote democratic model, ensuring that all growers had an equal voice in decision-making processes.

A strong commitment to member interests is crucial for building trust. **Bank Australia Ltd.** built trust by ensuring that the bank looked after the best interests of its members. The **Geraldton Fishermen's Co-operative Ltd. (GFC)** built trust by ensuring fair prices for members' catch and advocating for sustainable fishing practices.

Financial stability and performance also play a significant role in trust-building. The **Northern Co-operative Meat Co. Ltd.** built trust through high standards of hygiene and public health. The **Mount Barker Co-operative Ltd. (MBC)** built trust through consistent financial benefits and support for local initiatives.

Social Capital Outputs (Reciprocity)

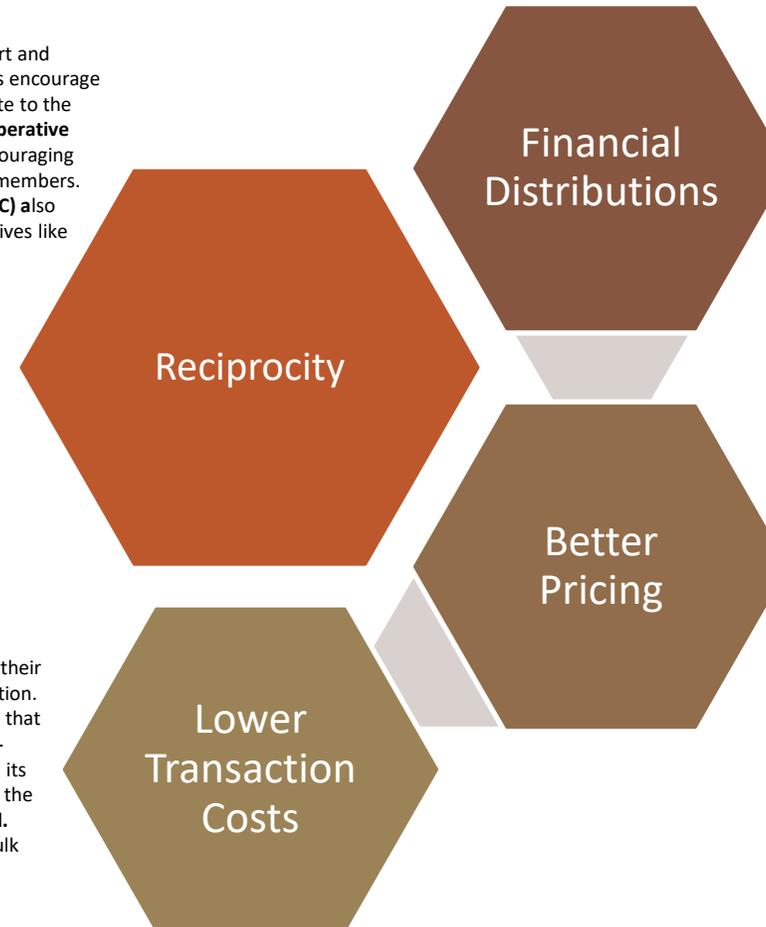
Selected Case Examples – Common Themes

Case Studies

- Albany Co-operative Society Ltd.
- Geraldton Fishermen's Co-operative Ltd.
- Independent Liquor Group Co-operative Ltd.
- Mount Barker Co-operative Ltd.
- Northern Co-operative Meat Co. Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- South Australia Co-operative Bulk Handling Ltd.
- United Farmers' Co-operative Co. Ltd.
- Yenda Producers' Co-operative Ltd.
- York and District Co-operative Ltd.

Reciprocity is fostered through mutual support and collaboration among members. Co-operatives encourage members to participate actively and contribute to the success of the organization. The **Albany Co-operative Society** fostered a sense of reciprocity by encouraging mutual support and collaboration among its members. The **Geraldton Fishermen's Co-operative (GFC)** also promotes reciprocity through financial incentives like loyalty bonuses.

Co-operatives often reduce transaction costs for their members by centralizing purchasing and distribution. This leads to economies of scale and cost savings that are passed on to the members. The **Northern Co-operative Meat Co. Ltd. (NCMC)** has streamlined its operations to reduce transaction costs. Similarly, the **South Australian Co-operative Bulk Handling Ltd. (SACBH)** reduced transaction costs through its bulk handling and storage system.



Many co-operatives use financial distributions as a way to build reciprocity among their members. This includes dividends, rebates, and bonuses based on the level of participation or patronage. For example, the **York & District Co-op Ltd.** provided significant financial benefits to its members through the payment of dividends. Similarly, the **Mount Barker Co-op Ltd.** distributed profits back to its members in the form of rebates and dividends.

Another common strategy is offering better pricing for goods and services. Co-operatives leverage their collective bargaining power to negotiate favourable terms with suppliers, which are then passed on to the members. For instance, the **Yenda Producers' Co-operative (YPC)** offers a range of agricultural supplies at competitive prices by bulk purchasing. The **Independent Liquor Group (ILG) co-operative** also secures competitive prices through collective purchasing.

Social Capital Outputs (Networks)

Selected Case Examples – Common Themes

Case Studies

- HunterNet Co-operative Ltd.
- Rumbalara Aboriginal Co-operative Ltd.
- United Crate Co-operative Ltd.
- Yenda Producers' Co-operative Ltd.

Many co-operatives actively engage with their communities to build strong networks. This includes organizing events, supporting local initiatives, and fostering a sense of belonging among members. For example, the **Yenda Producers' Co-operative (YPC)** has played a crucial role in creating and maintaining networks within its community by supporting community events and organizations. Similarly, the **Rumbalara Aboriginal Co-operative** has built networks by providing a wide range of integrated services and forming partnerships with other organizations.

Co-operatives often create centralized platforms for purchasing, distribution, and communication to streamline operations and build networks. The **United Crate Co-operative Ltd.** has implemented a centralized crate hire system, reducing transaction costs and fostering connections between growers. The **Yenda Producers' Co-operative (YPC)** provides a centralized platform for purchasing agricultural supplies and marketing produce, lowering transaction costs for its members.



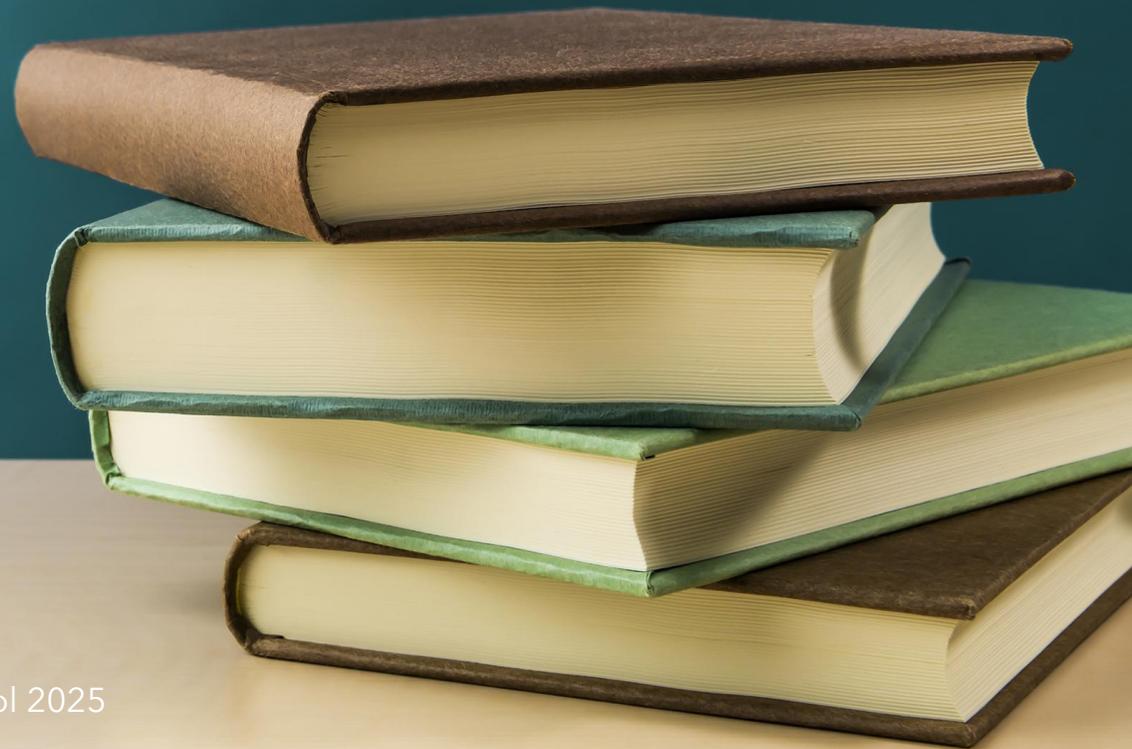
Co-operatives often collaborate with other organizations, businesses, and stakeholders to strengthen their networks. This collaboration can take the form of joint ventures, partnerships, and alliances. For instance, the **United Crate Co-operative Ltd.** has expanded its operations and created networks by establishing regional depots and collaborating with other co-operatives. The **HunterNet Co-operative Ltd.** has focused on networking and collaboration among its members through regular events, site visits, and forums.

Active member involvement is a key strategy for building networks within co-operatives. By encouraging members to participate in decision-making processes and governance, co-operatives foster a sense of ownership and responsibility. The **Yenda Producers' Co-operative (YPC)** emphasizes good governance and management by requiring its directors to undertake relevant courses, ensuring they understand their roles and responsibilities. The **Rumbalara Aboriginal Co-operative** engages its members through community meetings and consultations.

Providing support services to members is another common strategy for building networks. These services can include training, financial advice, and access to resources. The **Rumbalara Aboriginal Co-operative** offers a comprehensive range of services, including family support, housing, financial advice, and legal services. The **HunterNet Co-operative Ltd.** provides programs such as the Quality Assurance Management Systems (QAMS) and the HunterNet Career Connections to support its members.

Four Case Studies

From the 1860s to the present day



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Case example: Social Cooperation Perth Building Society Ltd. (1862-1987)



Economic and Social Problems



George Stone's house 1862



East Perth Brickworks 1860s

Population growth 1850s due to convict system.

Housing quality was poor and only wealthy could afford well-designed brick and tile houses.

Bank loans carried high interest costs and were often unavailable to lower income people.

Motivation, Mobilisation and Resources

Strong support for the foundation of the PBS from a wide cross section of the community in colonial WA during the 1860s.

Overtime, the level of community support from within the Perth metropolitan area was high for the PBS.

This enabled it to grow into the largest building society and one of the largest financial services enterprises in the state.



PBS Office
1924



1970s Perth home in Balcatta

Knowledge of CMEs

George Stone was an advocate of the Building Societies and had strong contacts and links back to the UK via his brother William Stone.

Maintained regular communication over developments in the CME sector in England.

This involved the promoting of the permanent rather than the terminating building society model.

Laurence Alexander took over during a challenging period and the passing of the *Building Societies Act 1920* (WA) and market competition rose.

He had strong understanding of the building societies legislation.

Role of people and organisations



George F. Stone
(1862-1865)



Laurence Alexander
(1919-1929)

George Stone was the founding-Chair of the PBS, Attorney General of WA, director of the Bank of WA, and office bearer in a Mechanic's Institute.

When the PBS was faced with a liquidity crisis in 1866, a loan was provided by the Pensioners' Benevolent Fund.

Laurence Alexander was Chair of the PBS during a period of growth following WW1.

Source: Baskerville, Mazzarol & van Aurich (2023).



Perth housing 1840s



PBS Office 1924



Perth home 1927



PBS Office 1967



New Perth home 1969



New Perth home 1970s

Case example: Social Cooperation

Royal Automobile Club of WA (1905- present)



Economic and Social Problems



T Model Ford 1913

Early buyers and drivers of motor vehicles found that existing road and transport systems were hopelessly inadequate for motor vehicles.

Motor vehicles could drive much longer distances in shorter times than animal transport and often railways and shipping, but there were no road maps or road signage to guide drivers.

Motivation, Mobilisation and Resources

The State needed to be persuaded that motor transport was the future and would grow rapidly but there was no legal framework for vehicle or driver licensing, insurance, training or a fuel supply network.

Motor car clubs were being established in other states and colonies following a British model.

Automobile owners and drivers were aware of these developments (widely reported in the local press) and attracted by their social aspects and the development of motor racing (including motor bikes and motorboats).

The Club was funded by fairly substantial annual subscriptions for members, although over time these became relatively cheaper as more motorists joined – the one guinea subscription lasted from 1916 to 1949.

As car ownership became more widespread, so did car crashes and the need for car insurance, leading RAC to develop the system of motor vehicle insurance in WA (including Third Party insurance).

Knowledge of CMEs

The early Club leaders had little knowledge of CMEs per se but were aware of the automobile clubs being formed in Europe and their reliance of older gentlemen's club models.

Early leaders such as Richard Strelitz, Alfred Morgans and Richard Robinson were wealthy and leaders in numerous social clubs. Other early leaders such as Cecil Dent, who was an optician, were familiar with professional associations and how they operated.

ACWA (RAC) adopted the form of an incorporated association under the WA Associations Act 1895 – as did the South Australians, while in NSW the Company Limited by Guarantee was adopted (because there was no associations legislation).

RAC has been able to use the incorporated association model to develop subsidiary companies (such as RACX Insurance) without endangering its status as an association.

Role of people and organisations



Percy Armstrong
Founder of RACWA



The model of the Automobile Club of Great Britain and Ireland was followed in WA (and elsewhere in the British Empire) – this allowed for reciprocal memberships between clubs, especially for travellers.

The 'real' founders, working beneath the wealthy socialite founders, include Percy Armstrong, the first true motor dealer in WA who had a network of bicycle stores across the State that he adapted to selling cars; Cecil Dent was a confident cartographer and developed the methods for drawing road maps with reliable distances and features; Richard Strelitz was significant as an organiser of the club (until his unfortunate demise in 1916).

Source: Baskerville, Mazarol, & van Aurich (2022).



**First standard road signage
installed by RAC WA,
Northam-Perth road 1940**



**RAC WA Head Office
1950s**

**RAC Road Mapping
1980s**



Case example: Social Cooperation

Co-operative Bulk Handling Ltd. (1933- present)



Economic and Social Problems



Sewing Wheat Bags 1938

Manual handling of wheat grain was inefficient expensive.
Bulk storage and handling was est. in North America by 1900.
Bulk handling was more cost-efficient, but the cost of the infrastructure was very high.

Motivation, Mobilisation and Resources

The est. of bulk handling in NSW and Victoria motivated WA growers.
Growers could see the economic benefits from bulk handling and were mobilised through membership of farmer-owned co-operatives in the Wheatbelt towns.
Capital was initially provided by loans provided by Westralian Farmers' Co-operative Ltd., and the Grain Pool of WA.
CBH members were then required to pay tolls on a proportion of their grain supplied, to fund the capital required and payback the loans.

Knowledge of CMEs

Charles Walter Harper had extensive knowledge of co-operatives, as did Alexander J. Monger, and others, such as Thomas Henry Bath, who also helped to found the Grain Pool of WA, and CBH Ltd.
By the 1930s, most grain growers were members of Farmers' co-ops and had been supplying grain to Wesfarmers via their district co-ops.
There was strong communication between the leaders such as Harper, Monger and Bath, and the farmers in the district co-ops.
The Co-operative Federation of WA also played a key role in building knowledge and engagement.

Role of people and organisations



Charles Walter Harper
(1880-1956)



Alexander Joesph Monger
(1869-1947)



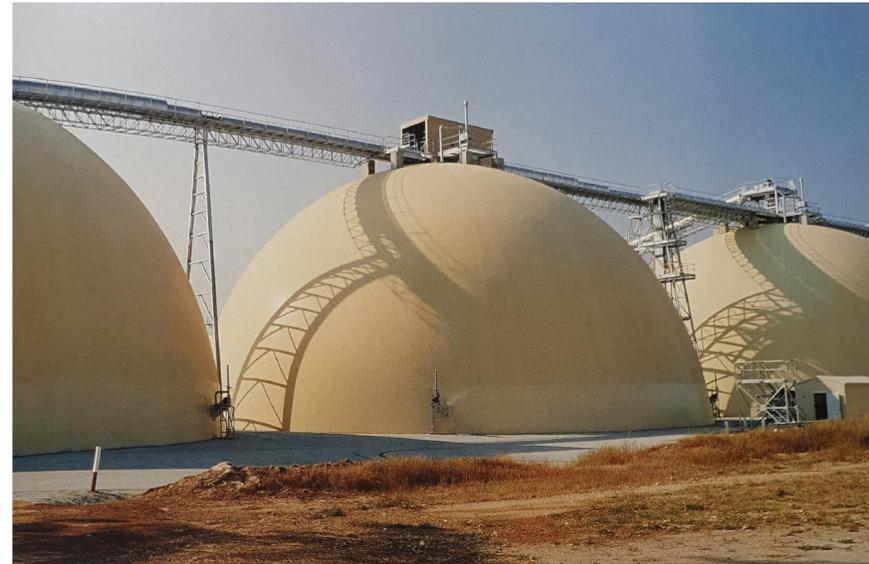
Thomas Henry Bath
(1875-1956)

Charles Walter Harper was major advocate of the co-op's movement in WA. He founded many producer co-ops. This included Wesfarmers, Grain Pool WA, and the Co-operative Federation of WA.
Alexander Joseph Monger was a founder of York & District Co-op and the first Chair of CBH.
Thomas Henry Bath was a gold miner and unionist, also State Opposition Leader. He became a farmer was a founder of the Grain Pool of WA and CBH, where he was Secretary and later Chair (1943-1948).

Source: Mazzarol, van Aurich & Baskerville (2024).



**Grain handling and transport
1900s**



**“The Domes” grain
silos 1994**

**Bulk Grain Receival
Point 2020**



Case example: Social Cooperation

United Crate Co-operative Ltd. (1963- present)



Economic and Social Problems



Picking Vegetables 1940s

High costs of wooden crates and other forms of packaging which was often only used once or stolen or destroyed.

Competitor Standard Crate Exchange (1947-2007) did not pay rebates on crate hire and charged high hireage fees.

United Crate was able to develop a system of affordable hireable returnable crates that no other entity could master specifically for the local domestic vegetable industry.

Motivation, Mobilisation and Resources

High cost of crates and bags, disputes between producers and wholesalers over who should pay the costs of crates.

The Markert Gardeners' Association financially supported United Crate during its first two decades, e.g. buying the land in Fitzgerald Street North Perth for United Crate's new crate yard in 1979 after the original yard was demolished for freeway expansion.

United Crate was part of the MGA's 'United' group which allowed considerable sharing of resources and board members.

Knowledge of CMEs

United Crate's founders were regular participants in the annual conferences of the Co-operatives Federation of WA, where they mixed with other co-operators and discussed co-operative ideals.

Founders were aware of Rochdale model, and highly critical of Producers' Markets Co-operative for not following Rochdale. They argued it was not a 'true' co-operative.

Role of people and organisations



Archibald (Arch) Cruikshank
First Chair UCC

Archibald (Arch) Cruikshank had been involved with the MGA for many years before 1963, was an acknowledged successful market gardener in Osborne Park, and first chairman of United Crate.

Ted Brindal, the first Secretary-Manager of United Crate, had a long history working in horticultural co-operatives in Carnarvon, and actively assisted Cruikshank in establishing the co-operative.

Tony Frzop is an example of one of several long-term directors from the 1960s to c1987, serving on the boards of all the United group entities, and a co-designer of United Crate's first plastic crate.

Miro Lendich, current chairman, has been instrumental in stabilising the co-operative during the 2000s after a decade of internal turmoil.

Source: Baskerville, Mazzarol & van Aurich (2025).



Case example: The Role of Government Perth Building Society Ltd. (1862-1987)



Legislation

Established under the *Benefit Building Societies Act 1836 (UK)*.

WA colonial legislation, *Benefit Building Societies Ordinance 1863* est. WA specific legal and regulatory framework for permanent building societies.

The state legislation, *Building Societies Act 1920 (WA)*.

Building Societies Act Amendment Act 1961 (WA).

Building Societies Act 1970 (WA).

Perth Building Society (Merger) Act 1985 (WA).

Collaboration

1880 – PBS and Fremantle Building Society negotiated with Governor Sir Willian Robinson to est. Torren's Title system of centralised land titles into WA from SA for building societies.

PBS worked with WA Registrar to shape the *Building Societies Act 1920 (WA)* in 1920s, and *Building Societies Act Amendment Act 1961 (WA)* in 1950s. Modernised laws and limited impact of terminating building societies.

Collaborated over *Perth Building Society (Merger) Act, 1986 (WA)*, enabling PBS to merge with the Hotham Building Society in Melbourne.

Assistance

Enjoyed support from Governor John S Hampton in the 1860s due to his own experience with building societies in Tasmania.

1866 – PBS experienced financial crisis and received a loan from the Pensioner's Provident Fund.

1956 to 1988 – PBS received support from the WA Registrar over dealing with smaller terminating building societies competing in WA. Took the form of revisions to the legislation.

Regulation

PBS able to make its own regulations under the 1863 legislation.

During World War 2, Federal regulations limited share issues and controls were placed on land sales, interest rates, issues of new mortgages. Land sales were frozen.

Commonwealth Bank Act 1945 (Cth) est. national government owned-bank competing in the market, and risk of bank nationalisation.

Deregulation

1979 – Campbell Report recommends market deregulation of the financial sector.

1986 – Federal Government deregulates the Australian financial sector removing differences between bank and non-bank institutions.

PBS board to applies for a banking licence (1986).

1987 – PBS demutualises into the Challenge Bank.

Infrastructure

Est. of State Brickworks in 1914 provided PBS with a ready supply of clay bricks that it then required all new houses to be constructed from, to enhance the quality of housing.

The development of Perth's road and rail networks led to the est. of suburban growth and housing estates.

PBS took advantage of the establishment by Federal Government Telecom enterprise of computer data networks for managing EFTPOS and ATMs in the 1980s.

Source: Baskerville, Mazzarol & van Aurich (2023).

Case example: The Role of Government Royal Automobile Club of WA (1905 - present)



Legislation

Traffic Act 1919 - RAC lobbied for a decade for the *Traffic Act 1919* which provided the foundation for all subsequent motor traffic regulation in WA.

Motor Vehicle (Third Party Insurance) Act 1943.

Traffic Act Amendment Act 1971 (compulsory seat belts).

Control of Vehicles (Off-road Areas) Act 1978.

Harmonisation of State-based incorporated associations legislation 2015.

Motor Vehicle (Catastrophic Injuries) Act 2016.

Collaboration

RAC devised the system of district number plate codes adopted by the State in 1916.

RAC principal issuer of petrol ration coupons during WW2.

Issuing authority in WA for international driver licences 1955.

RAC Electric Highway between Perth and Augusta 2015

Assistance

The State Governor has been the patron of the RAC since 1905, associating the RAC with community esteem, a sense of stability and social standing.

Responsibility for training and accrediting motor mechanics moved from RAC to the new Institute of Automotive Mechanical Engineers 1936.

Gradual acceptance by the State from RAC of responsibility for directional and other road signs after 1971.

Increased funding for cycling infrastructure and CAT buses in Perth after RAC lobbying 2011

Regulation

WA Traffic Code, 1931.

Australian Standard Road Signs Code adopted in 1939.

Controls on vehicle emissions to reduce air pollution 1974.

Traffic Code – Random Breath Testing of drivers 1987.

Setting standards for different types of fuels and fuel additives, such as ethanol in 2003.

Deregulation

PMG concessional postage rates for organisations abolished in 1970, making *Road Patrol* magazine more expensive to post to members.

Repeal of *Clean Energy Act 2011* (to reduce vehicle CO₂ emissions) in 2015.

Periodic updating of the Traffic Code.

Infrastructure

Constructing roads suitable for motor vehicle traffic, establishment of Main Roads Department in 1930.

Development and construction of the 'smart freeway' and other connectivity infrastructure for autonomous vehicles 2020.

Development of national parks and other infrastructure for motor-tourism since the 1920s.

Source: Baskerville, Mazzarol, & van Aurich (2022).

Case example: The Role of Government Co-operative Bulk Handling Ltd. (1933- present)



Legislation

Bulk Handling Act 1935 (WA) – est. CBH monopoly over bulk grain handling in WA.

Bulk Handling Act 1967 (WA) expands CBH areas of operation.

Bulk Handling Repeal Act 2000 (WA) – removed CBH's monopoly.

Co-operative Act 2009 (WA) – introduced modern co-operative law.

Australian Charities and Not-for-Profits Commission Act 2012 (Cth) – amended, allowing CBH to register as a charity.

Collaboration

Close collaboration between the State Minister and CBH over amendments to the *Bulk Handling Act 1935 (WA)*.

Collaboration between CBH and AWB during World War 2 over building emergency grain storage.

Close collaboration between the State Registrar of Co-operatives and CBH in becoming first WA co-op to register under *Co-operative Act 2009 (WA)*.

Assistance

During the Great Depression, a Federal Royal Commission (1934-1936) recommended support be provided to farmers. State Government passed, *Rural Relief Fund Act 1935 (WA)*.

In the 1960s the WA Government declines request from CBH for a loan of \$18 million to help fund infrastructure for grain storage.

However, State Government agrees to provide loan guarantees to enable debt financing for capital investment in storage and handling facilities.

Regulation

The State Minister regularly responded to requests for the *Bulk Handling Act 1935 (WA)* to be changed to address issues over financial distributions and taxation.

1939 – Federal Government est. Australian Wheat Board (AWB) to control national grain industry. Continues post war.

2007 – Australian Taxation Office (ATO) challenges CBH tax exempt status as “non-distributing” co-op (only rebates not dividends). Federal Court rejects ATO case in 2010.

Deregulation

1987 – Royal Commission into grain storage and handling recommends removal of monopoly rights by CBH and other companies across Australia. *Wheat Marketing Act 1989 (Cth)* deregulates the grain industry in Australia leading to loss of state and federal monopolies.

State-owned companies (NSW, Vic) and national grain marketing bodies (AWB, ABB) are privatised and South Australia CBH is demutualised by 2000.

CBH almost demutualises in 2000.

Infrastructure

1930s – CBH and State Government agree to build railway network and sidings able to manage bulk grain receival sites across the Wheatbelt, and development of export ports.

1970s – CBH invests profits into regional and port infrastructure across the southern half of the state. In 1972 it secures tax exemption status from the Australian Taxation Office (ATO) on basis that it is not distributing profits and is reinvesting into capital expenditure for common good.

Source: Mazzarol, van Aurich & Baskerville (2024).

Case example: The Role of Government United Crate Co-operative Ltd. (1963 - present)



Legislation

United Crate began as one of a group of CMEs in the 'United' group under the aegis of the Market Gardeners Association. It was registered under the *Companies (Co-operatives) Act 1943*, while the MGA was registered under the *Incorporated Associations 1895*.

United Crate operated under the 1943 Act until the *Co-operatives Act 2009* came into effect.

The United group's credit union established in 1974 operated under initially, after some consideration, under the *Companies (Co-operatives) Act 1943*, until the *Credit Union Act 1979* came into effect in 1980.

Collaboration

United Crates, collaborated with United Fruit & Vegetable Growers' Markets Co-op, Osborne Park Co-operative Society (Osborne Park Co-op Store).

Later the Gascoyne Planters Association in 1946, and the MGA produced the monthly trade magazine *The Market Gardener* from 1945.

United Crate Co-op's main competitor, Standard Crate Exchange operated by the rival Vegetable Growers' Association, as the Producers' Markets Co-op that operated under the Westralian Farmers Ltd umbrella.

Assistance

The State, and by the late 1990s the Federal, governments conducted numerous royal commissions and other inquiries into the horticultural industries, mostly at the instigation of producer co-ops and groups, although changes were slow to come.

The State, after many years of debate and conflict, eventually agreed to the closure of the Metropolitan Markets and the creation of the new City Markets.

Regulation

Regulations made under the *Fruit Cases Act 1922* was the first industry (fruit) specific regulation.

Vegetable growers made use of the fruit cases, as well as many other containers such as jute bags, and loose produce tied in bundles.

The introduction of metrication over the early 1970s changed all the produce crate sizes to metric standard volumes.

This especially impacted United Crate's move into plastic crates as these were all produced in the new metric sizes.

Deregulation

Abolition of the marketing boards (onions, potatoes, apples and pears, etc) removed the 'black market' that operated throughout the metropolitan area in cheaper but sub-standard produce.

The abolition of post-WW2 emergency regulations concerning fruit and vegetables was slow but incremental over the 1960s and 1970s, which freed up producers to grow as much produce as they could sell and whatever prices they could obtain. It also removed the certainty of minimum prices, which negatively affected some growers.

Infrastructure

Market garden infrastructure was provided mainly by the producers (e.g. irrigation and sprinkler systems), but the State provided the WAGR railways and the public road network for transporting produce to and from the central markets.

The development of the irrigated plantations at Carnarvon from the 1930s was mainly funded by growers and was often favourably compared by the MGA's United Group to the government funded Ord River Scheme.

Market garden lands have traditionally followed the expanding suburban fringe, and this was facilitated in the 1970s by State planning schemes that rezoned gardens and orchard lands for urban development.

Source: Baskerville, Mazzarol, & van Aurich (2025).

Case example: Natural Environment Factors Royal Automobile Club of WA (1905- present)



Geography & Topography

The relatively flat topography of the Swan Coastal Plain facilitated early motoring, with deviations from 'flatness' such as hilly regions with views in the Darling Ranges, and forested areas in the Southwest, encouraging the development of motor touring.

RAC roadside assistance services developed as members used road networks, which by the 1920s was widely spaced urban development facilitated by flat topography.

The physical isolation of WA from the east coast was a major factor in the RAC lobbying governments to build a trans-Nullarbor highway. The Eyre Highway today is a major monument to the RAC.

Climate & Weather

Responding to weather conditions for motor vehicles led the RAC to lobby for better brakes, windscreen wipers, external lights and similar 'accessories' to be standard elements of car design and construction.

Mid-late 20th Century weather helped to promote 4WD and off-road vehicles for recreational uses. The RAC used *Road Patrol* to promote use of off-road vehicles.

The RAC addressed climate change by encouraging research and adoption of vehicle emissions reduction. They encouraged the development of LPG and then electric vehicles.

Diseases & Public Health

Road safety, as a measure of public health, became a major RAC priority from the 1970s onwards, lobbying government for compulsory safety belts, support for random breath testing, speed limits on country roads, and road safety campaigns targeting groups such as high school students.

The RAC's responses to the COVID-19 pandemic included assisting the WA government's strategies to contain and eliminate the disease. Encouraged intra-state holiday road travel as a morale-boosting measure during the closed borders period.

Landscape & Pollution

The infrastructure required for motoring, such as roads and road signs, incrementally but thoroughly altered many urban and rural landscapes.

The development of motor garages and service stations brought with them new forms of pollution from vehicle emissions (atmospheric) and disposing of products such as motor oils, tyres and car parts and bodies.

More recently the RAC has sought, through a promotional emphasis on electric vehicles, to reduce some of these pollutants.

Experimental EV Mini Van 1979



Source: Baskerville, Mazzarol, & van Aurich (2022).

Case example: Natural Environment Factors

Co-operative Bulk Handling Ltd. (1933- present)



Geography & Topography

The WA Wheatbelt covers an area of 155,863 km². Soils are variable in quality and usually require the application of significant amounts of fertiliser.

From the 1830s onwards, the spread of farming settlements increased, with significant land clearing.

Most of the Wheatbelt is located on flat, undulating land that comprises a low plateau running from the Darling scarp and covered by sandy and loamy soils on ancient sediments and weathered basement rock.

It is rich in wildlife and unique and highly diverse flora.

Climate & Weather

The Wheatbelt has a Mediterranean climate with hot dry summers and cool wet winters.

Rainfall varies across the region with annual falls of 600 mm in the western areas closer to the coast, down to 300 mm in the inland east.

Heavy rains and harsh frosts can impact crops, often resulting in significant loss to farmers.

Diseases & Public Health

The Mediterranean climate reduces the risk of many diseases.

However, there are risks from pesticides, and misuse of chemicals in farming.

Wheat crops have been impacted by fungal diseases such as Rust and Septoria.

Pest infestation of grain silos has required CBH to est. sealing and environmental controls to protect from this.

All grain is examined to ensure quality.

Landscape & Pollution

The Wheatbelt is prone to salinity caused by land clearing and the underground water pushing salts to the surface.

This risk of salinity was known by the 1890s, but consecutive State Governments encouraged the growth of farming to help build the population.

Landcare and environmental protection since the 1980s has required major shifts in farming practices.

Our five sustainability pillars



Markets

Maintain and open new markets for WA growers

Lead the industry in sample collection for residue traceability

Increase sales of sustainably certified grain



Communities

WA grain growers and our communities are viable for the long term

Ongoing community investment

Procure more from our regional vendors



People

Attract and retain the best talent

Safe people and safe workplaces

Diversity and inclusion



Governance

Comprehensive and leading governance practices

Demonstrate and disclose progress on the Sustainability Plan

Board Committee responsible for sustainability



Environment

Protect the environment in which we operate

50% reduction of Scope 1 and 2 emissions by 2030

Site to Customer net zero emissions by 2050

Sources: Mazzarol, van Aurich & Baskerville (2024).

Case example: Natural Environment Factors United Crate Co-operative Ltd. (1963- present)



Geography & Topography

Market gardens until 1980s typically adjacent to wetlands and swamps on urban fringe, then access to deep aquifers allow gardens to spread to drier, sandier locations further from Perth.

Orchards typically in higher altitude hills and ranges; tropical plantations from 1930s in sub-tropical Gascoyne river valley.

Crate/packaging services had to be adjacent to gardens and orchards or develop reliable transport services to markets (WAGR, some co-op transport firms)

Climate & Weather

Temperate climates favoured for vegetable growing – flat Swan Coastal Plain – need for packaging could vary with weather (excessive rainfall, storms, droughts), warping of timber crates.

Cooler climates favoured for traditional fruits (apples, pears, stone fruits); sub-tropical climates from 1930s for bananas, pineapples, melons – but subject to seasonal monsoon patterns. Mechanical irrigation and dams first developed for sub-tropical fruits.

Packaging that allowed ripening produce to ‘breathe’ during transport to and storage at Perth markets developed.

Diseases & Public Health

Early legislation for fruit cases (1922) focused on preventing spread of plant diseases through hygienic cleaning and single-use crates.

Campaigns from 1960s onwards about health benefits of eating fresh vegetables and fruits supported by crate makers.

Introduction of plastic reusable crates in 1975 strongly emphasised their hygienic benefits for producers (not spreading plant diseases).

Identifying and removing new plant diseases and pests is a constant feature of horticulture – State agencies and growers usually work co-operatively.

Landscape & Pollution

Market gardens traditionally a transitional land use between natural bushland and urban development – attempts in 1970s to preserve urban garden land failed.

Heavy promotion of pesticide uses in gardens and orchards after WW2 (e.g. DDT) acknowledgement of health and environmental impacts only came in 1970s/80s.

Crate co-ops traded in pesticides and herbicides at cheaper prices to support members, but they were also where concerns about human health impacts (on growers) first expressed – conflicts with agriculture (e.g. 2.4D around Geraldton gardens).

Use of DDT in insect control 1945

Here, on the job, is Mr. Mat Loncar, of J. Loncar & Sons, Osborne Park

“Nothing Can Equal It”
says Mr. J. Loncar

After 35 years' Market Gardening at Osborne Park, Mr. Loncar has learnt much about insecticides and he says that David Gray's D.D.T. Agricultural Dust is by far the best of them all. He says: "It has cut time and labour down to LESS THAN HALF." Here are other things Mr. Loncar says . . . "Before I used it, I had White Butterfly and all the usual pests, but now I don't have any." . . . "My crops are healthy without any sign of pest damage." . . . "It saves me much money and much worry." . . . "It is no trouble at all to use."

David Gray's D.D.T. Agricultural Dust is the insecticide for ALL Market Gardeners who want to show greater profits for their efforts. It eradicates White Butterfly, Cabbage Looper, Potato Moth, Canary Fly, Thrips and other garden pests, and does not wash off with rain or watering.

David Gray's
D.D.T.
Agricultural Dust

Source: Baskerville, Mazzarol, & van Aurich (2025).

Case examples: Economic and Social Benefits



Case	Economic capital	Social capital
PBS Ltd.	<p>The PBS provided a significant contribution to the level of home ownership within Perth and WA.</p> <p>It also encouraged savings and enhanced the overall household wealth within its members.</p> <p>As the largest building society in WA, and one of the largest financial institutions in the state, its economic impact was substantial.</p>	<p>Creation of Trust: The society created trust by supporting the working classes in building and owning their homes.</p> <p>Reciprocity: The society's operations were based on mutual benefit and social cooperation, ensuring members could achieve their goals through collective effort.</p> <p>Networks within the Community: The society's commitment to serving its members and the community helped build strong networks.</p>
RAC WA	<p>RAC has been a significant incubator of the whole motoring/ mobility 'ecosystem' in WA producing public assets such as road networks and employment across myriad motor support and tourism industries.</p> <p>RAC facilitated roadside signage, service stations, motor vehicle dealer yards and showrooms, plus the infrastructure and technologies of smart freeways. It also established design standards for caravan and camping grounds and contributed to smart freeway designs.</p>	<p>Creation of Trust: The club created trust through consistent and reliable services and involvement in road safety campaigns.</p> <p>Reciprocity: The club operated on a mutual basis, returning profits to members through competitive pricing and providing comprehensive coverage.</p> <p>Networks: The club created networks through its programs and initiatives, connecting members with essential services and resources.</p>
CBH Group Ltd.	<p>CBH provides economic capital through jobs, assets, and wealth creation. It supports the regional community through permanent and casual employment.</p> <p>In addition, CBH has created and maintained an efficient network of transportation, bulk handling, and storage to facilitate the growing, harvesting, and marketing of grain.</p> <p>Furthermore, record breaking harvests of the past decade have provided considerable wealth to members and the co-op, reinvested in maintenance and credit to offset future receival fees.</p>	<p>Creation of Trust: The co-operative created through consistent and transparent operations, promoting the development of Western Australia's grain industry.</p> <p>Reciprocity: The co-operative operated on a one-member-one-vote principle, ensuring equal participation in decision-making.</p> <p>Networks within the Community: The co-operative established agricultural infrastructure and market opportunities, strengthening community networks.</p>
United Crate	<p>United Crate's through its creation of the reusable plastic hire crate system has been substantial in reducing the costs of produce packaging to growers and ultimately to retailers and consumers. The development of a successful hireable, returnable crate system is unique to United Crate. It offered cheaper up-front costs for hiring versus buying crates, also offering rebates and dividends, keeping money circulating through the horticultural sector.</p>	<p>Creation of Trust: The co-operative created trust through transparent financial distributions and a fair system of crate usage.</p> <p>Reciprocity: The co-operative implemented a deposit and refund system, fostering mutual support.</p> <p>Networks: The co-operative facilitated connections between growers and supported community initiatives, strengthening networks.</p>



Key Lessons and Recommendations:

Social Cooperation:

- CMEs are formed as a response to economic and social problems, but are facilitated by social cooperation, with the role of people and organisations playing a pivotal role.
- The presence of facilitating organisations, such as national or state/provincial peak bodies like the Co-operative Federation of WA, or Westralian Farmers' Co-operative Ltd.

Role of Government:

- Governments play a key role in the establishment and demutualisation of CMEs.
- Legislation and regulation can be beneficial, but market deregulation can negatively impact CMEs leading to demutualisation.
- Collaboration between CMEs and government and lead to assistance, with

Industry Structure:

- CMEs can use their business model to secure bargaining power within supplier and buyer segments, and this can assist them to overcome monopolistic and oligopolistic market competitive environments.
- However, CMEs can be impacted by new market entrants following market deregulation, and substitution threats due to both market deregulation and changing technologies.

Role of the Environment:

- CMEs, particularly producer co-operatives (e.g., dairy, agriculture, fishing) can be impacted by environmental change.
- CMEs need to be able to adapt to environmental changes, focus on sustainability, and encourage their members to do the same.

Enterprise Level:

- The CME business model is adaptable and can adopt a range of forms (e.g., producer, consumer, worker, multistakeholder, platform) and functions (e.g., distributing, non-distributing, charity etc.).
- CME business models must focus on a clear Purpose and Member Value Proposition (MVP), with the other elements supporting these two areas.

Member Level:

- CME members have four key roles (e.g., patron, investor, owner, member of a community of purpose). These should be identified and used by Management to proactively communicate their importance, and how they focus on the Purpose, and deliver the MVP to the members.

Economic and Social Capital Formation:

- CMEs make a significant contribution to the generation of both economic and social capital formation. However, measuring economic capital is much easier than social capital. Attention should be given to developing ways to objectively measure this contribution by CMEs.



Co-operative achievements in WA between IYC 2012 and IYC 2025

Research Projects:

- **2010-2014** – ARC Linkage Grant: *Sustainable Co-operative enterprise: An investigation into the factors influencing the sustainability and competitiveness of co-operative enterprise.*
- **2022-2025** – ARC Link Grant: *Looking back Looking forward: The Economic and Social Contribution of the Western Australian Co-operative and Mutual Enterprise Sector to the State's Development.*

Publications:

- **Books and Book Chapters** – 5 books (one in production) and multiple book chapters.
- **Journal articles** – 14 journal articles (one in production).
- **CEMI-CERU Case Study Series** – 17 case studies published since 2017.
- **Australian Co-operative and Mutual Enterprise Index (ACMEI) Discussion Papers Series** – 16 published since 2011.
- **CEMI-CERU Research Reports** – 5 reports published since 2013.

Executive Development Programs:

- **Co-operatives and Mutuals Strategic Development Program** – Commenced 2014 with annual programs in Perth, plus specialized programs run in Melbourne, Sydney and Lismore, with overseas programs e.g., iCoop Malaysia (2017 and 2018), Cresol Credit Union (2025).
- **Workshops** – Specialist programs run for Capricorn Society Ltd. (2014), CBH Group Ltd. (2024), ORICoop, WATCA (Northam), Pulse Co-op, Esperance (2019), Coota Co-op Ltd. University of Eastern Finland, ECU, U Sydney, Stirling's to Coast Albany (2018).
- **Consulting projects** – several specialized consulting programs for CBH Group Ltd., NSW Small Business Commissioner, UWA and DAFWA, Eyre Peninsula CBH Ltd.
- **Presentations** – annual presentations at Coops WA and BCCM conferences, plus presentations in UK, Finland, Fiji, France, the Netherlands, Austria, and New Zealand.



Questions

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Thank you for your attention



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