



Next Generation Co-operatives

How will Victoria's next generation co-operatives emerge?

An important article on the growth of co-operatives in Finland provides an understanding of the critical factors that influence the establishment and survival of new co-operatives. In Finland between 1987 and 2001 a total of 1364 new wave co-operatives were established - 960 between 1997 and 2001, The authors conclude that there are three critical factors in this growth – national co-operative legislation, an effective national business association and a cultural receptiveness to co-operative ideology.

Samuli Skurnik, Lic Econ, CEO of the Pellervo Confederation of Finnish Co-operatives, The Role of Co-operative Entrepreneurship and Firms in Organising Economic Activities – Past, Present and Future

The Finnish Journal of Business Economics, 1/2002, pp 103-124

While Australia does not yet have national legislation, Co-operatives National Law is due to be introduced into the NSW Parliament early in 2012 and to be adopted by other States and Territories throughout the year. This legislation will not, however, regulate the characteristics of co-operatives as in Italy where demutualization is almost impossible.

There is not an effective national business association but there are individual State Federations with varying degrees of activity and success depending on the resources of each Federation. The Co-operative Federation of Victoria Ltd is a resource constrained Federations as determined by membership numbers which limits its activities. The Federation has been a strong advocate of the national peak body, Co-operatives Australia, and currently fills the positions of Chairman and Secretary.

There is minimum cultural receptiveness to co-operative ideology outside the co-operative movement and this also varies within the co-operative movement. A factor in the success of the Pellervo Confederation of Finnish Co-operatives is the acceptance by the Finnish co-operative movement of the need for co-operative education. In Victoria co-operative education tends to be a matter for debate, whether it should be a priority and it competes for resources.

What we do know is that these factors influence the emergence of next generation co-operatives. The future of co-operatives in Australia depends on the creation and maintenance of appropriate organizational structures of representation, development, support and assistance.

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