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## The Joint Select Committee on the NSW Reconstruction Authority statutory review of the *NSW Reconstruction Authority Act 2022*.

Friday, 16 August 2024

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### Opening Statement:

*Melina Morrison*

*Chief Executive Officer, Business Council of Co-operatives and Mutuals*

On behalf of the Business Council of Co-operatives and Mutuals (BCCM), I thank the Joint Select Committee for the opportunity to appear at today's hearing of the Review of the NSW Reconstruction Authority Act 2022.

The BCCM is the national peak body representing the co-operative and mutual movement across all industries.

Co-operatives and mutuals are vital to the social and economic life of New South Wales. 760 co-ops and mutuals are based in the State. They have a combined turnover of \$13 billion and 7.5 million memberships.

In the Northern Rivers region where flood recovery efforts are ongoing, the leading 7 co-ops and mutuals alone have a turnover of \$1.34 billion, directly employ more than 2,500 people and serve more than 28,000 members, including 1,100 farm and fishing businesses.

Co-ops and mutuals are member-based businesses that exist to deliver economic, social and cultural benefits to their members and their communities. It is their dual economic and social orientation that makes them ideal partners in reconstruction.

As businesses, they have economic infrastructure to deploy in crises and they can contribute to sustainable local economic recovery.

As membership organisations, they are the centre of trusted social networks and social capital. They share this with other member-based organisations such as clubs, unions and business chambers.

During the immediate aftermath of the floods in the Northern Rivers, mutual banks demonstrated these strengths when they collaborated to quickly bring back banking services in Lismore through the Community Banking Hub at Southern Cross University. They had the economic resources and the local social connections to move quickly, underpinned by a clear-sighted mutual purpose.

It is this type of community-driven approach that must be baked into the reconstruction legislation as a priority.

The result will be a reconstruction effort that leverages local networks, is based in locally identified priorities and builds social capital and resilience.

The BCCM therefore recommends that section 10 of the Act is amended to more clearly express an ethos of working 'with and by' community, especially though local member-based businesses and organisations.

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