Public Submission Tasmania's Economic Diversification and Investment Strategy

Tasmania's Economic Diversification and Investment Strategy is right to focus on investment, productivity, skills, regional growth, and stronger infrastructure, because those are the foundations of a more resilient state economy. I firmly assert, as a former serial entrepreneur and educator myself, that investment in member-owned cooperative models deserves a place in our State strategy because they are a practical way to keep wealth and skills local, strengthening regional businesses, ensuring the people who create valuable productivity gains also share in it. That means Tas Government can and must back cooperative start-ups, cooperative conversions, shared processing and distribution ventures, and procurement policies that favour locally owned enterprises where appropriate. It also means ensuring practical support such as finance, legal help, training, and policy settings that make cooperative ownership easier to establish and scale.

The Strategy's priorities are well matched to member-owned cooperatives because they:
- retain profits and decision-making locally,
- spread returns among the people who create the value,
- keep procurement, processing, and employment anchored in Tasmania,
- and help regional families benefit from the productive assets they support.

On the one hand, Tasmania needs investment from outside the state, major firms, and large-scale projects to create jobs and maintain essential industries. On the other hand, pressure on northern potato growers shows the risks of relying too heavily on external USA Ag corporate control, where price-setting power and profit disenfranchise our farmers, the communities doing the work. Due to corporate restructuring of its Tasmanian operations, Simplot ensured several local management roles were made redundant and moved direct reporting lines to corporate headquarters in the United States, driving a stricter focus on global cost minimisation.

A balanced strategy should recognise both realities: Tasmania needs capital, but it also needs ownership models that keep decision-making, profits, and reinvestment rooted in local communities.

Cooperatives offer a strong middle path. They are not anti-business; they are pro-productive people, pro-regional resilience, and pro-long-term local prosperity. In sectors like agriculture, food processing, energy, housing, retail, logistics, and community services, cooperatives can help producers and workers pool resources, improve bargaining power, invest in shared infrastructure, and reduce the risk of wealth leaking offshore. They can also support innovation and productivity by encouraging collaboration rather than destructive competition between isolated small players.

This matters because Tasmania's regional families need more than short-term jobs — they need stable, locally anchored economic structures that circulate money through towns, farms, and supply chains. I am very concerned also that AI is exacerbating the gig economy at our families' expense, with profit shifting to Wall Street speculators. A

cooperative model can help do that by linking labour, ownership, and benefit more closely together. In that sense, cooperatives fit the strategy's goals very well: they can lift productivity, build capability, support regional growth, and make investment work harder for Tasmania rather than for distant shareholders.

Bell Bay is another clear example of why government cares about strategically important local industry: it supports hundreds of jobs and a large local supply chain, and the government has described it as a cornerstone of the economy. [4][6][5]
Northern potato growers facing contract pressure from Simplot are another example of why Tasmania may need stronger local ownership and bargaining power in primary industries. [7][8][9]
You can also point to the vulnerability of major regional employers like Bell Bay when ownership or control sits outside the community, which makes the case for member-owned alternatives that are less likely to offshore returns or outsource activity. [4][10][11]

Given the strategy's focus on investment, productivity, skills, and regional growth, government should actively promote and support member-owned cooperatives in sectors facing structural pressure, including processing, manufacturing, agriculture, and regional supply chains. Cases such as Bell Bay and Tasmania's potato growers show why locally owned models matter: they help retain wealth in the state, protect jobs, and ensure economic gains circulate through regional families rather than leaking offshore.

"Where strategic industries are essential to Tasmania, government should back ownership models that keep productive wealth in the state and reward the workers, growers, and communities that create it." [2][3]

Warm regards Ruth Howard, Hobart, TAS

Citations:
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