

The Mondragon Cooperative Movement (Basque Region, Spain) and the Aboriginal Cooperatives of the Goulburn Valley – From Cummeragunja to Rumbalara and the Path to Private-Sector Extension



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This paper compares the formation and development of the Mondragon Cooperative Movement in the Basque Region of Spain with the Aboriginal cooperatives of the Goulburn Valley, from their roots at Cummeragunja through to the establishment and growth of the Rumbalara cooperatives in Shepparton.

It is written with deep respect for the leadership of the Goulburn Valley Aboriginal community and is offered particularly to Paul Briggs and the Kaiela Institute team, as a contribution to *Invincible Spirit: Documenting the Goulburn Valley Agenda*. The comparison honours the long struggle for self-determination that began with the petitions and farming efforts at Cummeragunja, was carried forward by leaders such as Sir Doug Nicholls, and continues today through the Rumbalara Aboriginal Co-operative, the Rumbalara Football Netball Club, the Kaiela Institute, the Algabonyah structures, and the Munarra Centre for Regional Excellence – a powerful culmination of many lifetimes of dedicated Aboriginal leadership work.

While Race Mathews and others have rightly celebrated Mondragon as a powerful model of employee ownership, this paper highlights a crucial distinction: the Aboriginal cooperatives of the Goulburn Valley were founded and governed as community-owned and community-managed institutions – an expression of collective sovereignty, cultural

survival, and economic justice in the face of invasion, dispossession, and mission control. The central question explored is whether the strong social cooperatives already built in the Goulburn Valley – now embodied in institutions such as Munarra – can now be extended into the private sector, following elements of the Mondragon model, while remaining firmly under Aboriginal governance and guided by the Invincible Spirit that has sustained our people for generations.

1. Formation of the Mondragon Cooperative Movement (1941–1959)

Mondragon arose in the aftermath of the Spanish Civil War (1936–39) in a poor, war-scarred Basque valley under Franco’s dictatorship. In 1941 a young Catholic priest, Father José María Arizmendiarieta, arrived in the small industrial town of Mondragón. He saw poverty, unemployment, and social fragmentation. His response was practical and visionary:

- 1943: He founded a technical school (Escuela Profesional) to train young workers in engineering and cooperative principles rooted in Catholic social teaching (human dignity, subsidiarity, and the common good).
- 1955–56: Five of his former students started ULGOR, a small worker cooperative manufacturing paraffin stoves and heaters. It was legally registered as a cooperative society on 14 April 1956.
- 1959: Arizmendi established Caja Laboral Popular (the Mondragon credit union/bank) to finance further cooperatives, provide technical support, and ensure inter-cooperative solidarity.

Mondragon’s core principles were employee ownership and democratic governance: one member, one vote; capital subordinated to labour; profit reinvested or distributed equitably; and a federation structure linking education, finance, industry, and retail. It grew from one workshop into a global federation of worker-owned enterprises.

2. Formation of the Aboriginal Cooperatives in the Goulburn Valley – Cumberagunja to Rumbalara (1880s–1980s)

The Goulburn Valley story begins in the era of colonial dispossession but follows a different logic: *community ownership and management by Aboriginal people* as an act of survival and resistance.

Cumberagunja (established 1888 on the NSW side of the Murray River near Barmah) was one of the most successful Aboriginal farming communities in Australia. Yorta Yorta families petitioned for land (1881 and 1887), built farms, ran cricket and football teams (the famous “Cumberagunja Invincibles”), and created committees of management. Yet the Aborigines Protection Boards repeatedly undermined this autonomy.

- 1939: The Cummeragunja Walk-Off – Australia’s first Indigenous mass protest – saw families leave the mission in protest against poor conditions and control. Many settled on the river flats near Shepparton (the area that became Rumbalara).
- 1950s: Sir Doug Nicholls (born at Cummeragunja in 1906, footballer, pastor, activist, and later Governor of South Australia) and other leaders fought for housing and self-determination. In 1958 the first prefabricated houses were built at Rumbalara, explicitly described in community records as “the first Rumbalara coop”.
- 1970s: The housing was sold for a nominal sum to the newly formed Goulburn Murray Aboriginal Cooperative (Rumbalara Aboriginal Co-operative Ltd), giving the community full ownership and control.
- 1980s onward: The cooperative expanded into health (Rumbalara Medical Clinic), education, welfare, and culture. Parallel institutions emerged – Koori Resource and Information Centre (KRIC, 1988), Rumbalara Football Netball Club (RFNC, 1997) as a cultural and economic hub, Ganbina (employment and enterprise), and later the Kaiela Institute and Algabonyah structures.

These cooperatives were never primarily “employee-owned” in the Mondragon sense. They were *Aboriginal community-owned and community-managed* – governed by Yorta Yorta and other First Nations members for the collective benefit of families, culture, and future generations. Sport (RFNC), health, housing, and education were vehicles for *cultural affirmation* and *economic inclusion* on Yorta Yorta country. The “Invincible Spirit” documented throughout the Kaiela Institute archive is the enduring thread: resistance, self-reliance, and collective ownership.

3. Key Similarities and the Critical Difference

Similarities

- Both emerged from marginalised communities and used education as the foundation (Mondragon’s technical school; Goulburn Valley’s Jemuria, ASHE, Munnarra leadership programs, and language revival).
- Both created integrated ecosystems: Mondragon linked education–finance–industry–retail; the Goulburn Valley cooperatives linked sport–culture–health–employment–housing.
- Both emphasise democratic governance, solidarity, and long-term community benefit over short-term profit.
- Both demonstrate that cooperatives can thrive in hostile policy environments.

The Critical Difference Mondragon is built on *employee ownership* – workers as owners of the enterprise. The Aboriginal cooperatives of the Goulburn Valley were founded on *community ownership by the Aboriginal people themselves*. This is not a subtle distinction. It addresses the unique historical reality of invasion, dispossession, and the denial of sovereignty. Ownership here is about reclaiming agency over land, culture, children, and future.

4. Contemporary Developments: The Goulburn Murray Regional Prosperity Plan and Victoria's Treaty

The cooperative tradition continues and scales through two major recent initiatives led or strongly supported by the Kaiela Institute and the Algabonyah Community Cabinet.

Goulburn Murray Regional Prosperity Plan (launched 15 July 2021) Developed through wide-ranging consultation by the Kaiela Institute in partnership with the region, three tiers of government, and mainstream “Plan Champions” (including Greater Shepparton City Council, University of Melbourne, Goulburn-Murray Water, SPC, and Rumbalara Football Netball Club), the Plan marks a paradigm shift. It moves from a deficit/crisis-intervention model to a rights-based investment model that restores a thriving First Nations economy.

Key elements include:

- Accelerating enterprise and leadership development (via the Algabonyah Business Development Unit established by Kaiela Institute to support Indigenous entrepreneurs).
- Skills and pathways for young people and unemployed or under-employed adults.
- Data sovereignty through the Algabonyah Data and Research Unit (established to deliver baseline metrics of First Nations wellbeing).
- 56 initiatives spanning quick wins to long-term systemic changes, focused on community, relationships, culture, leadership, skill development, and economic inclusion.

The Plan is co-chaired by Paul Briggs AO (Chair of the Kaiela Institute) and David McKenzie (director of a local property valuation practice and Goulburn-Murray Water). It was designed from the ground up: in the region, by the region, for the region. Updated forward estimates by Deloitte Access Economics and KPMG project that full implementation will deliver an additional \$150–180 million in Gross Regional Product (GRP) per annum and 460–500+ full-time jobs for the region by 2036, with shared prosperity for the entire Goulburn Murray region.

The Plan builds directly on decades of cooperative work at Rumbalara and positions the region as a leader in economic inclusion and innovation. It explicitly links to the “Invincible Spirit” and the long struggle for self-determination, generating optimism and aspiration through contribution to, benefit from, and involvement in an integrated regional economy that works for everyone.

Victoria’s Statewide Treaty with Aboriginal Peoples (signed 13 November 2025) Victoria became the first Australian jurisdiction to agree a statewide Treaty with First Peoples. The Treaty was signed on 13 November 2025 at Government House between the Victorian Government and the First Peoples’ Assembly of Victoria. The Statewide Treaty Act 2025 received Royal Assent on the same day and formally commenced on 12 December 2025 following a major cultural ceremony at John Cain Arena incorporating song, dance, art, and ochre handprints on a kangaroo-skin document.

The Treaty is a binding agreement that advances self-determination, truth-telling, redress, and shared decision-making. It creates mechanisms for new institutions, economic justice, and recognition of Aboriginal rights, including principles drawn from the United Nations Declaration on the Rights of Indigenous Peoples. It establishes Gellung Warl (evolved from the First Peoples’ Assembly): a permanent, democratically elected body with three main parts – the First Peoples’ Assembly to inform Parliament and Government on matters affecting First Peoples and make decisions on issues impacting them; a truth-telling commission; and mechanisms for ongoing negotiations and implementation.

In the Goulburn Valley, the Treaty aligns powerfully with the Regional Prosperity Plan, providing a statewide framework that can secure resources, protections, and partnerships for community-owned enterprises. As highlighted in the 2025 Dungala Kaiela Oration (“Prospering through Treaty”), the Treaty and the Prosperity Plan together pursue security of the future for Yorta Yorta and Goulburn Murray peoples by closing gaps in wellbeing while growing the regional economy.

Comparison with Basque Autonomy Mondragon’s success was deeply intertwined with Basque cultural and political autonomy. The Basque Country (Euskadi) maintained historic fueros (autonomous legal traditions) dating back centuries that preserved local self-governance, language (Euskara), and cooperative social norms despite central Spanish rule. These fueros granted provinces like Gipuzkoa and Bizkaia the power to tax, mobilise soldiers, review royal edicts, and maintain distinct legal systems – a form of regional sovereignty that fostered strong collective identity and mutual aid traditions. Even under Franco’s dictatorship (1939–1975), which brutally suppressed Basque language, culture, and political expression, the latent Basque ethos of group decision-making, family-based mutual support, and resistance to central authority endured. Arizmendiarieta explicitly drew on this collective Basque spirit when building Mondragon’s cooperatives, turning historic autonomy into an economic engine of

enterprises, housing, and cultural services on Aboriginal freehold land, emphasising self-determination and homeland sustainability.

These models reinforce that Indigenous cooperatives worldwide succeed when rooted in collective community ownership and cultural governance. The Goulburn Valley's approach – forged through Cummeragunja petitions, the 1939 Walk-Off, and Rumbalara's community-controlled evolution – is pioneering in its explicit linkage of sport, health, education, and enterprise as vehicles for sovereignty on Country, now amplified by the Regional Prosperity Plan and Treaty.

5. Can the Aboriginal Social Cooperatives of the Goulburn Valley Extend into the Private Sector Following the Mondragon Model?

Yes – and the foundations are stronger than ever. Mondragon scaled by federating cooperatives, using its own bank for capital, and competing successfully in open markets while preserving democratic governance. The Goulburn Valley has parallel (and culturally grounded) building blocks, now reinforced by the Regional Prosperity Plan and the statewide Treaty:

- Education and skills: ASHE, Yalca Loitjba language project, University of Melbourne partnerships, and the Munarra Centre for Regional Excellence. The Munarra Centre stands as the culmination of many lifetimes of dedicated work by Aboriginal leaders – from the early vision of Sir Doug Nicholls and the Rumbalara pioneers, through Paul Briggs' decades of institution-building at the Rumbalara Football Netball Club and Kaiela Institute, to today's partnerships that deliver culturally relevant education, leadership development, and pathways into meaningful employment and enterprise.
- Finance and enterprise: Algabonyah Business Development Unit, First Nations Foundation / My Moola, and the groundbreaking First Nations Credit Union (later First Nations Advantage Credit Union / First Nations Australian Credit Union) founded by Paul Briggs as its inaugural Chair in 1999. This was Australia's first Indigenous-owned credit union offering national access to financial services. It directly parallels Mondragon's Caja Laboral Popular – the worker-owned bank established in 1959 that provided capital, technical support, and inter-cooperative solidarity to fuel Mondragon's expansion. Just as Caja Laboral enabled Mondragon cooperatives to grow from a single workshop into a global federation while keeping control in workers' hands, the First Nations Credit Union gave Aboriginal communities in the Goulburn Valley (and beyond) their own financial institution to support business start-ups, home ownership, and economic independence without reliance on mainstream banks that had historically excluded them.

- Social infrastructure: RFNC (cultural home and “social return on investment” engine), Kaiela Institute, Dungala Kaiela Foundation, and Rumbalara Aboriginal Co-operative.
- Governance and accountability: Algabonyah structures, data sovereignty via the Research and Impact Unit, and Treaty-enabled self-determination.

The Mondragon-style path forward would involve:

1. Formal federation of existing community-controlled organisations under Yorta Yorta governance.
2. Expansion of the financial arm into a dedicated Aboriginal development vehicle, supported by Treaty and Prosperity Plan investment.
3. Creation of worker/community-owned enterprises in private-sector areas (manufacturing, agribusiness, tourism, renewable energy, creative industries) that generate profit *while* delivering cultural, health, and educational outcomes.
4. “Sweating the asset” (as trialled with ISX Yorta Yorta Trading Floor and RFNC facilities) and leveraging the Prosperity Plan’s transformational initiatives.

This extension builds directly on the international learning already undertaken by Goulburn Valley leaders. In 2011 Paul Briggs led a delegation including Bennett Walker to Chicago’s Manufacturing Renaissance Project and Austin Polytechnical Academy – a pioneering specialised manufacturing training school on Chicago’s West Side serving young people from minority and disadvantaged (predominantly African American) communities. The visit, hosted by Dan Swinney of Manufacturing Renaissance, focused on how community-controlled education could create high-quality manufacturing pathways and economic sovereignty in historically marginalised neighbourhoods. Dan Swinney and Erica Staley’s presentation on the Austin Polytechnical Academy (featured on Working Papers) detailed the model’s success: opened in 2007 as part of Chicago’s Renaissance 2010 initiative, the academy (now part of the Austin College and Career Academy campus) emphasises college-and-career-prep pathways in advanced manufacturing and engineering. It features hands-on technical training in machining and related fields leading to nationally recognised credentials, strong partnerships with over 60 local companies for internships and job placements, and a clear mission to rebuild inner-city communities through education, skill development, and wealth creation. Erica Swinney served as program director, helping students gain real-world experience while addressing systemic barriers. Chicago has a powerful legacy as a centre of African American business and banking innovation, from Jesse Binga’s Binga State Bank (the first Black-owned bank in Chicago, founded 1908) to later institutions that provided capital and opportunity despite systemic exclusion. The delegation explicitly sought to adapt these models – alongside Mondragon’s lessons – to Yorta

Yorta Country, reinforcing that the path to private-sector extension is not new but a continuation of decades of global learning rooted in community ownership.

The Chicagoland Industrial Retention Network (CIRN), a project of Manufacturing Renaissance (founded 1982 by labour and community leaders in response to massive deindustrialisation), offers a powerful contemporary parallel. CIRN addresses the “Silver Tsunami” of retiring baby-boomer owners of small manufacturing firms (many without successors) by building an Early Warning Network, identifying viable companies, and facilitating acquisitions – with a strong emphasis on employee ownership, worker buy-outs, and transfers to Black and Latino entrepreneurs. This turns potential closures into opportunities for community wealth-building, job retention, and greater diversity in manufacturing ownership. CIRN’s approach – combining early detection, M&A expertise, community engagement, training for aspiring entrepreneurs, and values-driven outcomes (preserving jobs in the community, labour neutrality, local hiring, education investment, and environmental sustainability) – mirrors the Mondragon federation model and the Goulburn Valley’s cooperative ethos. It demonstrates how targeted intermediary action, backed by networks of unions, community organisations, faith groups, and policy support, can convert crisis into opportunity at scale. The Goulburn Valley, with its established cooperative infrastructure, Regional Prosperity Plan, and Treaty framework, is exceptionally well-positioned to adapt and localise such strategies under Aboriginal leadership.

Challenges remain – historical under-investment, small scale, and market barriers – but Mondragon faced greater adversity and succeeded through solidarity. The Goulburn Valley’s “Invincible Spirit”, institutionalised through Rumbalara and the Kaiela Institute, combined with the Regional Prosperity Plan’s investment model and the Treaty’s recognition of rights, creates a uniquely Australian pathway. Extending into the private sector does not mean abandoning community ownership; it means scaling it under Aboriginal governance for shared regional prosperity.

This would realise a model that is *Aboriginal community-owned*, economically competitive, and capable of delivering both prosperity and justice – honouring the legacy from Cummeragunja while building a thriving future on Yorta Yorta country.

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