

*Co-operating to*  
**Build a Better West**



*Proceedings of a Conference Celebrating  
the 2012 United Nations International Year of Co-operatives  
Saskatoon, Saskatchewan, 1-3 November 2012*



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OPEN, the design collaborative of Victoria Yong-Hing, Robyn Robertson, Mark Sin, Brad Pickard, and April Hiebert, graduates of Dalhousie University's School of Architecture, for the conceptualization, design, and construction of The Idea Lantern, an interactive art installation created especially for the conference

## Some Special Features of the Conference

Keynote address by John Ralston Saul, Thursday, 6 pm; 1 November 2012

Co-op Merit Awards Cocktail Hour and Banquet, Friday, 5 pm, 2 November 2012

### Co-op Fest, Odeon Events Centre, 7 pm, 2 November 2012

HELD THE EVENING OF 2 NOVEMBER and attended by approximately two hundred people, Co-op Fest featured a co-op sector product fair and four great Saskatchewan bands. Saskatoon's Kirby Criddle opened the evening with a folk-inspired set; the singer-songwriter was warmly received by the early evening crowd. The Seahags revved things up with a lively selection of songs from their recent album *Good 'n' Greasy*. Local indie rockers Slow Down, Molasses, fresh off their recent European tour, made sure the crowd was ready for the evening's headliner. Regina's Library Voices, darlings of the Canadian indie music scene, had the crowd out of their seats and on the dance floor.

Sponsored by Affinity Credit Union, the evening also featured displays and giveaways from *Planet S* magazine, the newly incorporated Saskatoon CarShare Co-op, Affinity Credit Union, the Co-operative Housing Association of Saskatchewan and Co-operative Housing Federation of Canada, TCU Financial Group, Just Delights Fair Trade Products, CFCR Community Radio, the Co-operative Development Foundation, and Saskatchewan Co-operative Association. There was also a photobooth and band merchandise available for concert goers. Photobooth pictures can be viewed at SCA's Facebook page, <http://www.facebook.com/SaskCoopAssociation>.

### The Idea Lantern

THIS ART INSTALLATION by the design collaborative OPEN was created especially for the conference. Located in Kiwanis Park South on the riverbank, it was participatory art and the public was invited to be part of it.

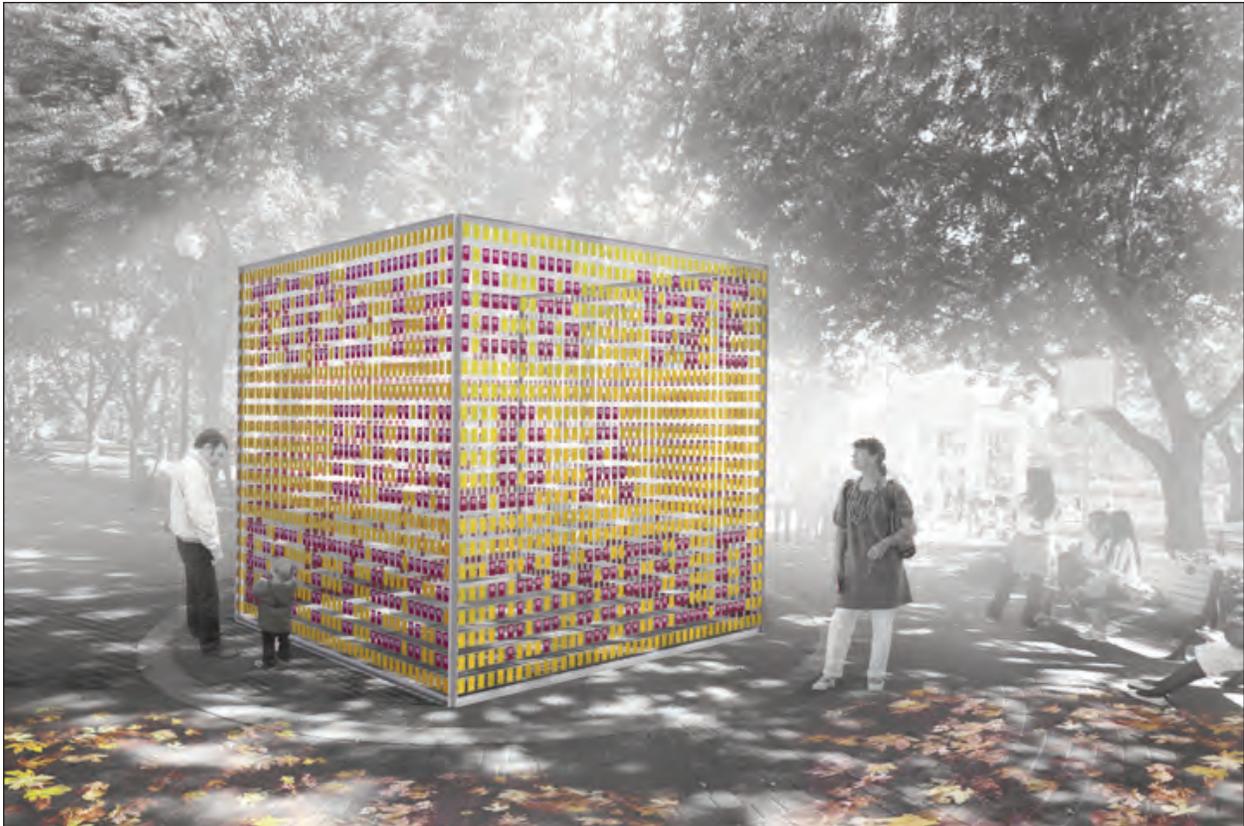
The United Nations declared 2012 the International Year of Co-operatives, and the wording on the outside of The Idea Lantern was inspired by the motto for this celebration — “Co-operative Enterprises Build a Better World.” The Lantern featured a variation of this slogan — “Together We Build a Better World.”

The Lantern conveyed a bold message on its own, but it also provided an opportunity for individuals to share their own messages or ideas for their community. The Lantern was made of thou-

sands of small cards clipped to a frame. Each card invited the public to contribute to the project by answering the personal question, “How Do You Build a Better World?”

It was easy to get involved. Participants simply wrote their answers on the back of the card with one of the pens supplied. You could answer the question as many times as you wanted. The Lantern had six thousand cards.

Participants were invited to read everyone else’s ideas inside The Lantern. The installation grew with each new message, and together these individual messages conveyed a bold public statement.



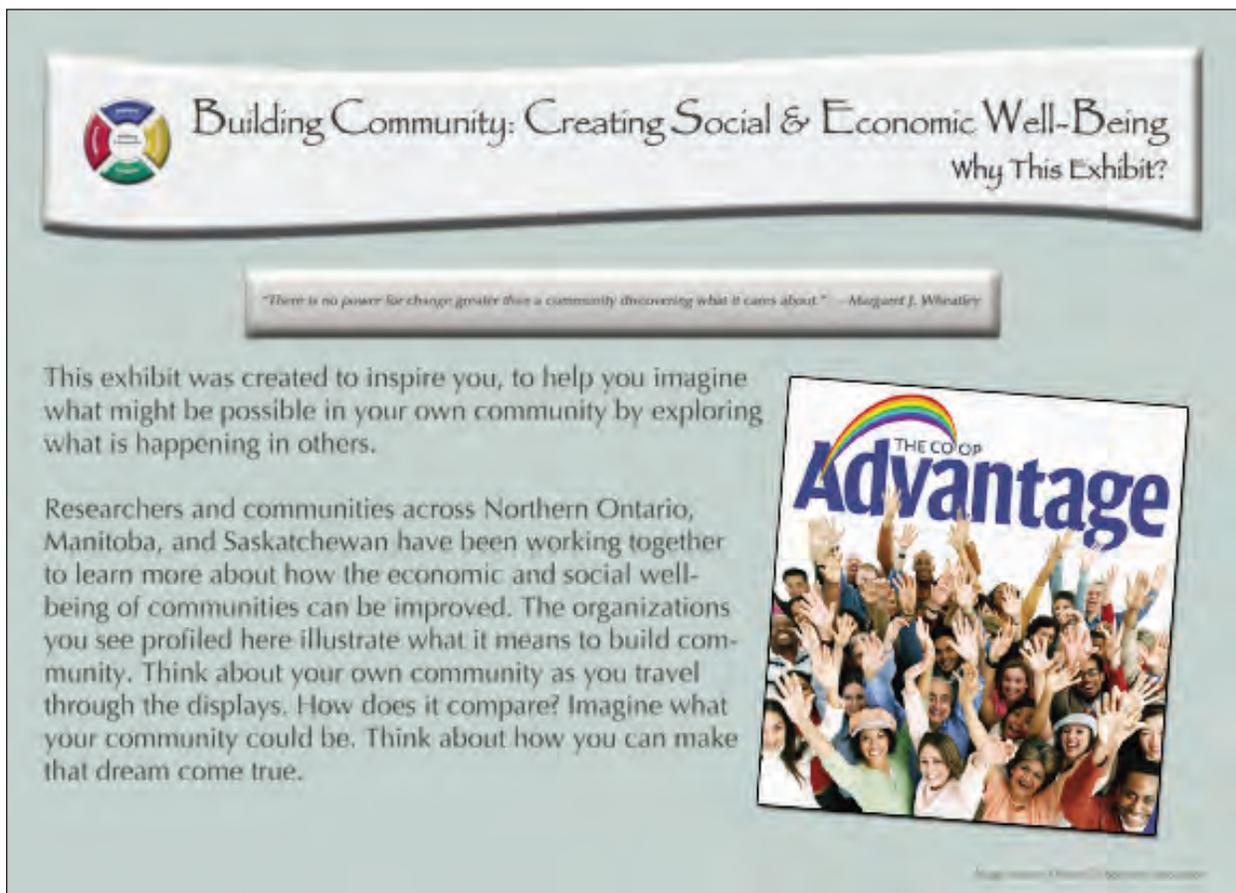
The Idea Lantern was made up of more than six thousand individually hung plastic cards fastened to a metal framework.

## Building Community: Creating Social and Economic Well-Being

CREATED BY THE CENTRE FOR THE STUDY OF CO-OPERATIVES in partnership with the Diefenbaker Canada Centre at the University of Saskatchewan, this exhibit of one hundred museum quality panels was part of the celebrations for the United Nations International Year of Co-operatives.

Based on the premise that co-operatives, credit unions, and other community-based enterprises help keep communities alive and vibrant, the exhibit encourages visitors to imagine what is possible in their own communities by exploring what is happening in others. It was on display 19 October to 4 November 2012 at the Mendel Art Gallery in Saskatoon.

The exhibit is about community — the place where we live, work, and play — but also about the groups we belong to and with which we identify. It includes examples of community-building initiatives with a focus on co-operatives and other social economy organizations. Participants were invited to think about their own community as they explored concepts including sustainability, inclusion, community development, and engagement.



The first panel of the Building Community exhibit.

## The Co-operative World Café

PARTICIPANTS IN THE CO-OPERATING TO BUILD A BETTER WEST CONFERENCE gained significant insights from plenary and concurrent sessions. How they made meaning of those insights and translated them into positive change and action after the conference was equally important — and the purpose of the Co-operative World Café, which took place on the final day of the conference, Saturday, 3 November 2012, 2:00–3:30 pm, at the Radisson Hotel Saskatoon. The World Café is a method of hosting conversations that serve to deepen understanding, make connections, draw out wisdom, and build community. Built on the premise that wisdom, creativity, and caring are inherent in the community, the Café exercise invites participants to explore possibilities for their own contexts. Facilitation was provided by the organizational development team from Federated Co-operatives Limited.



Ideas gleaned from World Café participants covered a wall in the conference room.

# Blueprint for a Co-operative Decade: How Canadian Co-ops Are Already on Track\*

*“Co-operatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility.”*

Ban Ki-moon, UN Secretary General

THE UNITED NATIONS proclaimed 2012 as the International Year of Co-operatives (IYC) in recognition of the contribution co-operatives make to the social and economic development of communities around the world. The theme of the International Year was Co-operative Enterprises Build a Better World. The Co-operating to Build a Better West Conference, held 1–3 November 2012 in Saskatoon, was Saskatchewan’s major contribution to IYC activities in the province.

The United Nations’ goals for the International Year of Co-operatives were to increase public awareness about co-operatives and their contributions to socio-economic development; to promote the formation and growth of co-operatives; and to encourage governments to establish policies, laws, and regulations conducive to the formation, growth, and stability of co-operatives. The many inspirational activities of the International Year gave rise to a world-wide campaign to take the co-operative way of doing business to a new level, as outlined in the International Co-operative Alliance’s *Blueprint for a Co-operative Decade*. The document calls for the co-operative model, within the next decade, to become the acknowledged leader in economic, social, and environmental sustainability, the model preferred by people, and the fastest growing form of enterprise.

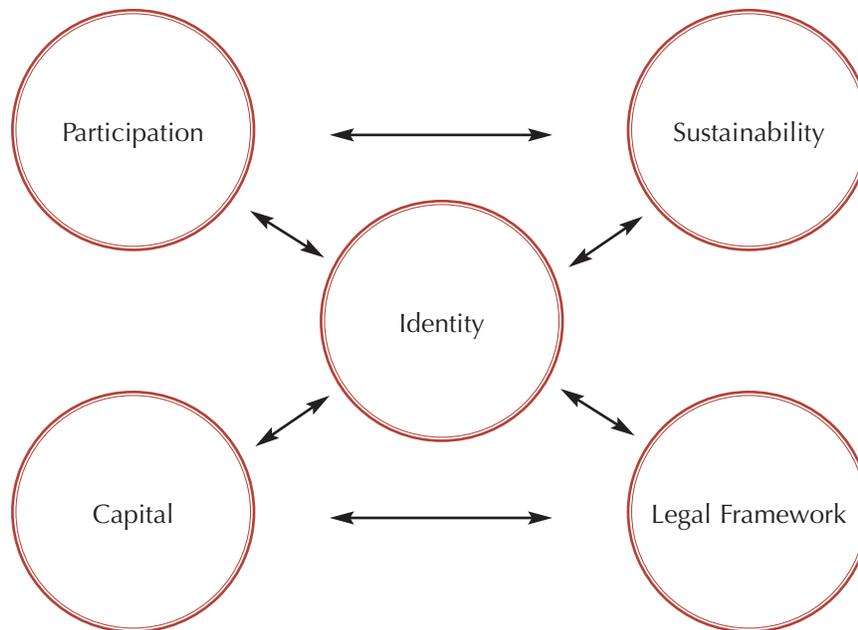
Building on the achievements of the International Year, the vision outlined in the *Blueprint* rests on five critical interlinked strategies:

- Elevate participation within membership and governance to a new level and do this by focussing on the practical aspects of participation.
- Position co-operatives as builders of sustainability.
- Build the co-operative message and secure the co-operative identity.
- Ensure supportive legal frameworks for co-operative growth.
- Secure reliable co-operative capital while guaranteeing member control.

Not surprisingly, many of the presentations at our conference reflect themes found in the *Blueprint*. That’s because co-operatives have been working hard to address some of these issues for many years, while others — how to take advantage of the opportunities presented by social media,

\* Small portions of text in this document are drawn directly from Cliff Mills and Will Davies, *Blueprint for a Co-operative Decade* (Geneva: International Co-operative Alliance, 2013).

concerns around the environment and sustainability — are relatively new challenges. The *Blueprint* effectively consolidates these key issues in one bold document, and further, offers implementation plans for each of them.



Regarding participation, the *Blueprint* asks us, among other things, to explore innovative approaches to democratic participation, engagement, and involvement. The conference’s opening plenary session, “Adding Value(s) through Co-operation,” and its first concurrent session, “Staying Connected: Innovations in Governance and Member Relations,” addressed participation in a number of ways. Paula Martin, advisor to the CEO at Vancity Credit Union, explained how Vancity is engaging members by offering public education and financial literacy. Glen Tully, president of the board of Federated Co-operatives Limited (FCL), told us how the company encourages its directors to participate actively at the community level to give them grassroots knowledge of FCL’s governance structure. He also outlined the organization’s extensive and ever-evolving training programs that encourage involvement at every level of the organization, noting as well the company’s mentorship initiatives that enhance member relations by making democratic opportunities accessible. Audrey Horkoff, a director for Affinity Credit Union, talked about the critical role of elected delegates in maintaining member participation at the local level throughout the province. Affinity has been particularly successful with youth engagement, another important target in the *Blueprint*. Finally, Jean-Pierre Girard, a lecturer at l’Université du Québec à Montréal, discussed how the innovative multistakeholder co-operative model provides a unique opportunity to engage many categories of membership in community-focused initiatives.

Many presentations at the conference addressed the *Blueprint*’s strategy to position co-operatives as builders of sustainability, reflecting the fact that this is an area of growing concern for co-operatives. Two concurrent sessions, “Co-operative Roles in Regional and Resource Development”

and “Mobilizing Co-operative Capacity for Sustainability” tackled issues around building sustainable regional economies through social economy organizations, how the co-operative model might contribute to sustainable forest management, and how community partnerships can build sustainable capacity in rural areas. Marcia McKenzie, director of the Sustainability Education Research Institute at the University of Saskatchewan, told participants how a community-university partnership created the Saskatoon CarShare Co-operative, which will turn the university campus into a living lab for sustainability research, teaching, and demonstration. Brad Clute, Regional Sustainability and Community Involvement Co-ordinator with Mountain Equipment Co-op (MEC), illustrated how MEC’s ethical business model promotes innovation in social and environmental responsibility through the greening of operations, product integrity, and community involvement. And Fiona Jackson from the Co-operative Housing Federation of British Columbia explained how her organization has embraced environmental sustainability by reducing the carbon footprint of its operations.

Building the co-operative message and securing the co-operative identity, highlighted in the *Blueprint*’s third strategy, were themes that ran throughout the conference. FCL’s Glen Tully emphasized the importance of clearly defined values, a distinct brand, and maximizing the advantages of the co-operative model. Mark Lane, CEO of Affinity Credit Union, attributed the company’s success to democratic member control as well as access to education, training, and information among the membership, key elements of the co-operative identity. And Barbara Turley-McIntyre, senior director of Sustainability and Citizenship at The Co-operators Group Limited, demonstrated how her company gives life to co-operative principles and values by tempering economic goals with consideration for the environment and the well-being of society at large. As clearly articulated in its vision, The Co-operators aspires to be distinct in its co-operative character and a catalyst for a sustainable society. The company’s efforts earned it the distinction of being one of Canada’s top 30 Green companies in 2013.

The *Blueprint*’s fourth strategy is to ensure supportive legal frameworks for co-operative growth. Once again, a number of conference sessions addressed this issue, underlining the fact that co-operatives have been grappling with this problem for decades. Vera Goussaert, executive director of the Manitoba Cooperative Association (MCA), explained that her organization’s vision and strategy has three objectives: to create a more supportive environment to establish and sustain on-going co-operative operations; to foster an awareness and understanding of co-operative values and principles; and to provide better infrastructure supports and services for co-operatives. While the MCA was having consultations with the provincial government on the co-op strategy, Centre for the Study of Co-operatives PhD student Monica Juarez Adeler completed a research report titled *Enabling Policy Environments to Facilitate Co-operative Development*, which led directly to the creation of Manitoba’s Co-operative Development Tax Credit, the first of its kind in Canada. Three dedicated working groups continue to work with the provincial government on regulatory and legal frameworks that will support co-operative development while ensuring protection of the co-operative identity.

Kevin Dorse, manager of advocacy for Credit Union Central of Canada (CUCC), talked about the importance of advocacy at the grassroots level (97 percent of federal ridings have at least one credit union), where expertise on the ground translates into authority among legislators. CUCC’s CU Nation™ program is a partnership between CUCC and the provincial/regional centrals that builds pro-credit-union relationships with elected officials. The focus is not on high-impact lobbying, but

rather on education and awareness, with the aim of building strong relationships with members of Parliament. Shawn Murphy, government relations manager with the Canadian Co-operative Association, echoed these sentiments, emphasizing that the best way to effect change in public policy is through clear, simple messaging that concisely summarizes the benefits of co-operatives to politicians.

As a final point, the *Blueprint* points to the need to secure reliable co-operative capital while guaranteeing member control. One of the conference's concurrent sessions tackled Co-operative Finance and Business Innovation: Creating and Sharing Wealth, Raising Capital. While noting that wealth, from a traditional shareholder's perspective, is not typically associated with co-operatives, Randy Boyer, vice-president and treasurer of Federated Co-operatives Limited, encouraged participants to consider the other types of wealth created by co-operatives within the communities where they do business: employment opportunities; social value through the support and development of community leaders; and retention of revenue within the community, either redistributed to member shareholders or retained for the improvement of co-op facilities and services. He also noted the importance of developing capital structure frameworks that work for the co-operative model, underlining the *Blueprint*'s strategy on this point.

Paul Cabaj, director of co-operative development for the Alberta Community and Co-operative Association, told us about Opportunity Development Co-operatives (ODCs), an innovative combination of local leadership and community-based financing that creates pools of capital — raised from many investors — that are directed towards local, viable business opportunities. The ODC model has great potential in communities that have the capacity to utilize the financial and human capital available. It can create greater awareness of local resources, keep local capital in the community, encourage community engagement in local businesses, bolster local economic activity, and may minimize the out-migration of young people to larger centres.

Finally, while outlining the many barriers to the success of agricultural co-operatives, Jared Carlberg, from the Department of Agribusiness and Agricultural Economics at the University of Manitoba, also drew our attention to innovations in co-operative financing such as Nova Scotia's Community Economic Development Investment Funds (CEDIF), a program begun in 1999 that had issued 121 CEDIFs as of 2011. The East Coast Organic Milk Co-operative is one of the success stories that resulted from the program. Dr. Carlberg's closing point mirrors the *Blueprint*'s final strategy — the importance of developing innovative capitalization models for co-operatives.

The *Blueprint* is an ambitious plan to clarify the co-operative message and broadcast it to a world community that currently cannot imagine what it can achieve. It also provides implementation strategies to equip people with the means to do what their imagination will tell them is possible. Presentations at the Co-operating to Build a Better West conference, which took place before the release of the *Blueprint for a Co-operative Decade*, provide clear evidence that Canadian co-operatives are already grappling with the issues outlined in the *Blueprint*, and many have made good progress towards solutions for their members, their organizations, and their communities. The *Blueprint* has clarified the focus and given us tools to work with. Now it's up to us, working together as co-operators have always done, to fulfil the promise of its grand vision.

# Co-operating to Build a Better West: A Co-operative Success

*Michael Gertler, Chair, Conference Co-ordinating Committee*

CO-OPERATING TO BUILD A BETTER WEST, a conference held 1–3 November 2012 in Saskatoon, was Saskatchewan's major contribution to activities during the 2012 United Nations International Year of Co-operatives. It was a time of learning and building, an important occasion for the sharing of innovations, insights, and big ideas, and for engagement across geographic, sub-sector, occupational, and cultural borders. From the first evening with keynote speaker John Ralston Saul, the energy level was high and the enthusiasm contagious.

Close to three hundred co-operators attended presentations by some three-dozen, well-grounded speakers drawn from academia and the co-operative sector. Between sessions, the halls buzzed with meetings and greetings, with reflections and planning. Conference participants heard plenary speakers on topics including managing and leading large co-ops, values-based banking, the history and community development roles of Arctic Co-operatives, developments in social theory pertaining to co-operation and co-operative enterprise, the challenges of water management and climate change, and a recent survey of public opinion and expectations with respect to co-operatives. The conference was also an opportunity to address practicalities and possibilities around issues such as alternative approaches to co-operative finance, building stronger relationships with co-op employees and members, and mobilizing co-operative potentials for sustainable development. Other concurrent sessions addressed the roles of co-ops in regional development, the development of new co-operatives, managing a co-operative online presence, and the special character of co-operative social responsibility and community reinvestment initiatives.

Conference participants were also able to increase their understanding of the potential and need for co-operation and co-operative enterprise by participating in several associated events. The Building Community exhibit (online at <http://usaskstudies.coop/exhibit>) was on display at the Mendel Art Gallery and at the Radisson Hotel. Co-op Fest at the Odeon Events Centre featured local musicians and a co-op sector product fair, while the International Year of Co-operatives inspired Idea Lantern art installation in Kiwanis Park invited people to contribute their own suggestions about how to build a better world. At the Radisson Hotel, conference participants could also partake of the Co-op Merit Awards ceremony and banquet, a book display and sale mounted by the University of Saskatchewan Bookstore, artisanal products from the Ohpahow Wawesecikiwak Arts Marketing Co-operative (Big River First Nation), and a display organized by the Centre for the Study of Co-operatives explaining the co-op content of the Saskatchewan History Online initiative. Participants also enjoyed a session featuring the innovative Co-operative World Café, a facilitated

forum to discuss challenges and individual and collective responses to issues that arose during the conference. The final conference program can be viewed at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914).

This document contains summaries of all the conference presentations, with links to pdfs of the original PowerPoints, where available. Some presenters did not make use of technological aids, and in these cases, we relied upon transcripts of recordings made during the conference.

We are grateful to everyone who participated, especially those who travelled to Saskatoon from elsewhere in Saskatchewan and from other provinces and the United States. We wish to acknowledge all of the perspectives, efforts, and resources that contributed to making this a truly exciting co-operative event.

## Plenary I: Adding Value(s) through Co-operation

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# Mozilla: Markets, Missions, and Movements

*Mark Surman, Executive Director, Mozilla Foundation*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/Surman-Mozilla-Presentation.pdf>

## Key Point

- ◆ Mozilla is a global nonprofit organization that uses a collaborative, community-based approach to creating free, open-source products for the Web for the benefit of everyone

## Summary

MOZILLA IS A GLOBAL, NONPROFIT ORGANIZATION dedicated to improving the Web. The emphasis is on principle over profit, with the belief that the Web is a shared public resource to be cared for and not a commodity to be sold. Mozilla works with a worldwide community to create open-source products such as Mozilla Firefox, and to innovate for the benefit of the individual and the betterment of the Web. The results are great products built by passionate people and better choices for everyone.

The Mozilla Project began on 31 March 1998 as an open-source initiative at Netscape. Mozilla 1.0 was released on 5 June 2002. In 2003, the Mozilla Project created the Mozilla Foundation, an independent nonprofit organization supported by individual donors and a variety of companies. The foundation continued the role of managing the daily operations of the project and also officially took on the role of promoting openness, innovation, and opportunity on the Internet. It did this by continuing to release software such as Firefox and Thunderbird, and by expanding into new areas such as providing grants to support improvements to accessibility on the Web. Firefox 3 was released on 17 June 2008 and set a Guinness World Record for the largest number of software downloads in twenty-four hours.

Hundreds of millions of people around the world use Firefox, a free and open-source software with approximately 40 percent of its code written by volunteers. More than one thousand volunteers contribute code to Firefox and four hundred thousand people contribute to Mozilla through the project tracking system Bugzilla. SUMO, Mozilla's community-powered support site, helps an average of ten thousand Firefox users per week. Students from more than six hundred institutions in fifty-seven countries spread Firefox as Mozilla Campus Representatives. Firefox is available in more

than seventy-five languages (covering more than 97 percent of the world's online population). More than 50 percent of Firefox users employ non-English versions, and almost every non-English version is localized by community volunteers.

Mozilla continues to provide an opportunity for people to make their voices heard and to shape their own online lives. The Mozilla community, as well as other open-source projects and other public-benefit organizations, exists only because of the people who are engaged with making these common goals a reality. See the Mozilla Manifesto [here](#) for more information about the values and principles that guide these goals.

## Values-Based Banking: Connecting *Me* with *We*

*Paula Martin, Advisor to the Chief Executive Officer, Vancity Credit Union*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Traditional banking systems are losing public support globally.
- ◆ Vancity's business model is based on the fact that it exists solely for the benefit of its members.
- ◆ Vancity supports and models innovative approaches to banking that foster community development.

### Summary

VANCITY'S VISION IS TO REDEFINE THE MEANING OF WEALTH because it believes individuals can only truly prosper if they are surrounded by, and connected to, a vibrant, healthy community that is sustainable for the long term.

- Vancity uses three guiding principles to achieve this vision:
  - ensure that co-operative principles and practices flourish
  - augment social justice and financial inclusion
  - enhance environmental sustainability

Success is defined by achieving measurable *impact* in terms of where assets are invested, inspiring *confidence* in a sustainable business model as demonstrated by member growth, and demonstrating *integrity* consistent with co-operative values and principles as validated by others.

Vancity translates this into its Good Money™ brand, which underlines that this financial co-operative activates impact in the community by serving member needs; considers its members' long-term well-being, not just their short-term transactions; drives financial results by doing the right thing; and highlights that there are no shareholders other than its members.

Vancity considers both the short- and long-term well-being of members in all initiatives, seeking to understand members' lives in a holistic context — particularly their financial literacy — to ensure that they do not later find themselves in difficult credit situations. Vancity supports small businesses to ensure that the impact is significant, focussing on affordable housing, social-purpose real estate, local, natural, and organic food, energy efficiency, and social enterprises, among others.

Each member has an equal share and vote, and all employees are members. Thirty percent of the annual net profit is shared directly through dividend and patronage payouts for members and grants to community organizations.

In order to support and extend policy changes towards sustainable banking, Vancity places emphasis on public education and financial literacy. This model is part of a larger global context of people-focussed banking. Ushering in a new era of transparent and accountable banking, Vancity emphasizes “people-first” financial services with full accountability throughout the global financial services industry.

Concurrent Session A-1  
Staying Connected: Innovations in Governance and Member Relations  
— *Engagement in the context of growth, mergers, and multistakeholder co-operatives*

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## Innovations in Governance and Member Relations

*Glen Tully, President of the Board, Federated Co-operatives Limited*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/Tully-Presentation-BBW-final-done.pdf>

### Key Points

- ◆ Board succession planning is critical. This means identifying appropriate and skilled people, providing mentorship opportunities, and supporting the transition to their new strategic role.
- ◆ Co-operatives must be more consistent about emphasizing appropriate and sufficient training in core competencies.

### Summary

FEDERATED CO-OPERATIVES LIMITED (FCL) is the largest Canadian federation of consumer retail co-operatives, with approximately 230 members operating in western and northern Canada. Active participation and use of co-operative services and products at the community level provide each FCL director with an understanding of the federation's governance structure, embodying grass-roots knowledge. The role of the board expands beyond guardianship of the organization's co-operative principles; directors have access to in-house training on topics ranging from meeting facilitation, understanding financial statements and equity policy, to basic governance awareness. With guidance from management, the board creates a vision for the future and portrays the values of integrity, excellence, and responsibility. This means supporting the next generation of leadership; it is critical that there are investments in infrastructure and assets that will provide benefits to current and future members.

FCL has identified a number of core functions for present and future directors: effective board operations; organizational effectiveness; strategic thinking; organizational performance; monitoring and oversight; and communications. Four competencies support these core functions: foundational competencies; governance or developmental competencies; specific technical and strategic competencies; and governance and development. Within each category, there are individual competencies or foundational skills that everyone should either possess or work towards developing:

- effective communication
- independent thinking
- self-awareness
- conflict resolution
- integrity
- effective judgement
- analytical thinking
- comfort with ambiguity

Competencies identified for each level of membership are specific to FCL and the consumer co-operative model. The competencies required to perform all jobs within the company are under further analysis. Aligning all levels allows each individual to refocus and refine their responsibilities in a more holistic context. FCL is reviewing training modules used by delegates and retail members of the board of directors to ensure that skill and competency building and development opportunities are congruent with current realities. A review of the roles and responsibilities of the board's president are also underway so as to facilitate discussion about shared expectations for succession.

Co-operative leadership has an opportunity to foster knowledgeable delegates who can lead and guide FCL. Mentorship initiatives enhance member relations by making democratic opportunities accessible. The challenge lies in developing governance and relevant competency training to support future strategic co-operative leaders, as well as in ensuring a smooth transition of leadership. Co-operatives work best when a strong, well-developed, governance structure is combined with a strong operational and leadership team.

## Governance in Action: Affinity Credit Union

*Audrey Horkoff, Director, District 6, Affinity Credit Union*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ◆ Local ownership and governance is the foundation of Affinity Credit Union and is measured and reviewed every five years.

### Summary

AFFINITY'S GOVERNANCE MODEL is designed to connect the credit union to its members and local communities. Affinity Credit Union (ACU) has nine districts (clusters of branches in a particular area) across the province. Each is governed by a district council, which helps shape the future of ACU and represents the voice of the community. Members elect seventy-five delegates for representation across the nine district councils. In turn, district council delegates elect fifteen directors to the board, whose term lengths are staggered across three years. A detailed map of district council locations can be found [here](#).

Responsibilities of elected delegates — the local representatives of ACU — are many but rewarding. Primary among them is representation of the membership, serving as the feedback loop between board and members, to ensure that all voices are heard. Delegates are actively involved in strategic planning and provide direction to the allocation of Community Development Funding, as well as an annual budget for self-improvement. They serve on board committees and oversee the nomination process within the district. Further, they provide guidance on potential mergers. Delegates also oversee the Elwood Harvey Co-operative Leadership Scholarship, announced in 2012 (there are two available for each district), and the Community Spirit Fund. ACU offers a range of services and participates in community building.

Affinity continually assesses measures of success. The company focusses heavily on housing issues and financial literacy, and knowing that members are heard is also a top priority. As elected officials, delegates provide leadership and are actively engaged. Representation at the local level allows for direct communication with members, and there is considerable youth involvement within the ACU model. The diverse groups represented by delegates provide a large pool of potential directors. Provincially, this type of responsive and evolving governance model is attractive to potential merger partners and, nationally, represents a unique governance structure for bolstering both profit and community development.

# Multistakeholder Co-operatives: The Challenge of Combining Institutional and Organizational Innovation

*Jean-Pierre Girard, Lecturer, Université du Québec à Montréal*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/Girard-BBW-presentation-done.pdf>

## Key Points

- ♦ Multistakeholder co-operatives provide a unique opportunity to engage many categories of membership in community-focused initiatives.
- ♦ As multistakeholder co-operatives grow in number, more research is needed to better understand the mechanisms that support democratic and socially progressive governance structures.

## Summary

MOST TWENTIETH-CENTURY CO-OPERATIVES, with some exceptions in developed countries, are single-member co-operatives. Despite the impressive success of Western co-operatives, an issue of primary concern for the governance model is how to best satisfy members' needs. Multistakeholder co-operatives (MSCs) are made up of, at a minimum, two member types, which can be users/consumers, workers, producers, and/or support members. MSCs can develop in a number of ways, but very often do so at the intersection of social and economic needs, such as proximity services or services with an important relationship component. The revival of MSCs began in Italy in the 1960s as social co-operatives. Today, in Canada, MSCs can be found in Quebec, Ontario, Manitoba, and British Columbia.

The year 2007 marked the tenth anniversary of MSCs in Quebec, celebrating the National Assembly's adoption of the co-operative law amendment in 1997 that recognized solidarity co-operatives. Over the few last years, up to 60 percent of new co-operatives have adopted this model and, since 2005, organizations must have at least two member categories in order to qualify. This amendment has important ramifications: a single-member-owner co-operative could simply add a supporting member category to become a solidarity co-operative. This opportunity has given worker and consumer co-operatives the incentive to reinforce connections and links with the community. New members, though they may be new to co-operatives, begin by supporting the mission of co-operatives and learn more over time. There are currently more than five hundred solidarity co-operatives evolving in a variety of sectors. In France, there are roughly two hundred société coopérative d'in-

térêt collectif (SCIC), with many new members coming from environment, energy, and socio-sanitary services backgrounds.

While welcoming new members enriches the work of co-operatives through a closer connection with the local environment, it also has its challenges. Interests will be varied — how can co-operatives effectively address diverging (or possibly opposing) needs? What are the roles and responsibilities of management in mitigating the process of member buy-in? And how can those involved best manage tension among user groups?

Between 2003 and 2007, the author co-ordinated a study at l'Université du Québec à Montréal on the impact of solidarity co-operatives on social cohesion. The research was part of a broader Canadian study on social cohesion and co-operative membership led by the Centre for the Study of Co-operatives at the University of Saskatchewan. Case studies of four solidarity co-operatives showed them to have a positive impact within the region on service accessibility, employability, and networking skills. However, through a democratic lens, the picture is less positive. For instance, one co-operative practised “traditional” forms of representative democracy that were not inclusive. Another had a homogeneous board of directors with little apparent concern for diverse membership representation (in terms of age, gender, or socio-economic status). Yet another did not have a management structure that welcomed or involved the sole worker member of their board. Of the four case studies, only one demonstrated a strong concern for deliberative democracy and the empowerment of diverse stakeholders (Girard 2009). This may explain why, in solidarity co-operatives that include a worker-member category, workers sometimes choose to implement a union. This is an important complexity to consider in the management of the organization: workers have a place within the membership base and are simultaneously represented by a union.

An MSC is an institutional innovation when compared with single-member co-operatives. It includes a second, or even third, member category. Based on the case study analysis and literature review, the following considerations must be taken into account for innovative governance, organizational structure, and member relations:

- Frequently remind all member categories of their *raison d'être* and the values of the co-operative. It was found that, over time, members forgot.
- Encourage the presence and involvement of founder members, a value-added option.
- Take advantage of training programs directed at managers and board members; they are important for the successful management of diverging interests and the practice of deliberative democracy.
- Emphasize information dissemination, given the breadth of online tools available online.

Deliberative democracy means engaging every category of members in an open discussion, in which respect for each other is maintained and enlightened and socially validated choices are thus achieved. Equitably addressing diverse and possibly competing interests is not easy, and replicating the governance model used for sole-member co-operatives — or worse, private enterprise — is not useful.

Given the increasing visibility and prominence of MSCs within the co-operative panorama, we need a better understanding of their initial set-up and development conditions. As Catherine Leviten-Reid and Brett Fairbairn pointed out in a recent publication (2011), some researchers using a *cost of decision-making* approach have concluded that the governance structure of MSCs is funda-

mentally untenable. With growing interest on the topic, including the publication of a practical tool titled *Solidarity as a Business Model: A Multi-Stakeholder Co-operatives Manual* (Lund 2011), it is hoped that interest and dialogue will continue to expand.

For further information:

Girard, Jean-Pierre, with the collaboration of Geneviève Langlois. 2009. "Solidarity Co-operatives (Quebec, Canada): How Social Enterprises Can Combine Social and Economic Goals." In *The Changing Boundaries of Social Enterprises*, ed. Antonella Noya. Paris: Organisation for Economic Co-operation and Development.

Leviten-Reid, Catherine, and Brett Fairbairn. 2011. "Multi-stakeholder Governance in Co-operative Organizations: Toward a New Framework for Research?" *Canadian Journal of Nonprofit and Social Economy Research / Revue canadienne de recherche sur les OSBL et l'économie sociale* 2, no. 2 (Fall): 25–36. Available at <http://anserj.ca/index.php/cjnser/article/viewFile/78/24>

Lund, Margaret. 2011. "Solidarity as a Business Model: A Multi-Stakeholder Co-operatives Manual." Kent, Ohio: Ohio Employee Ownership Center, Kent State University. Available at <http://www.oeockent.org/>

Concurrent Session A-2  
Co-operative Finance and Business Innovations  
— *Creating and sharing wealth, raising capital*

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## Co-operative Finance and Business Innovations: Creating and Sharing Wealth, Raising Capital

*Randy Boyer, Vice-President and Treasurer, Federated Co-operatives Limited*

### Key Points

- ◆ To remain competitive, co-operatives must have a strong understanding of their ability to create wealth and raise capital.
- ◆ Increasing education and public awareness helps people to understand the profitable nature of the co-operative model, especially in building membership among younger consumers.

### Summary

WEALTH, FROM A TRADITIONAL SHAREHOLDER'S PERSPECTIVE, is not typically associated with co-operatives, where *limited return on invested capital* is one of the seven co-operative principles. Wealth is more commonly associated with the publicly owned and traded corporate model, where profit is almost always perceived as the sole reason for investment. However, co-operatives create opportunities for significant wealth among shareholders, with key differences in how wealth is created and distributed. Co-operatives create wealth and value for members by returning a portion of their profits on the business done with their member shareholders. Such wealth-generating approaches are unique to co-operative models but, unfortunately, are not well understood outside of co-operative circles. More importantly, another type of wealth created by co-operatives is that within the communities that engage in business practices with co-operatives. Such wealth includes employment opportunities in the community (arguably good jobs, where employees are treated fairly and with respect), social value through the support and development of community leaders, and the retention of revenue within in the community, redistributed to member shareholders or retained for the expansion and improvement of co-op facilities and services.

The challenge, then, is communicating and promoting the wealth that is created for co-operative members. There has been progress in this regard: There is growing evidence that the co-operative model is resonating with consumers in today's uncertain and unstable global market.

Consumers, particularly younger consumers, have lost trust in many large corporations whose values do not align with their own. It can be argued, then, that co-operatives are becoming more popular because of the emphasis on community and caring.

A recent study by Deloitte found three major challenges to the co-operative funding model:

- a significant dependence on surplus and earnings
- the need to balance the interests of a diverse stakeholder group (members, lenders, regulators)
- limited ability to raise capital within the member base

However, such challenges can be part of the co-operative model itself, such as reliance on reserves and the inability to access public equity markets. Thus, it is important to develop capital structure frameworks that work for the co-operative model. Capital provides co-operatives with the resources to grow, flourish, and continue to be relevant in the current, cluttered marketplace.

Without access to public equity markets, co-operatives must rely primarily on either internally generated reserves (retained earnings) or debt. If it is unlikely that the co-operative can be entirely capitalized with equity (member shares and reserves), then some level of debt within a capital structure is likely prudent and required. Interestingly, these two sources of capital are closely related. The amount of debt that a co-operative has access to is directly related to its level of reserves. Without healthy levels of internal reserves, a co-operative will not have the *balance sheet* strength necessary to access cost-effective debt financing.

Co-operative enterprises, particularly larger ones, must recognize the need to build strong levels of reserves as part of their capital structure. Other sources of capital are available, such as a second-tier co-operative, where member shareholders are encouraged to invest their excess funds within the co-operative in return for a competitive rate of interest. Some large co-operatives have also accessed the public equity markets through the issuance of preferred shares.

It is critical for co-operatives to understand how much capital is required in order to execute strategic plans, to develop a capital structure framework that ensures the required capital is accessible, and, most importantly, to ensure a healthy level of internal reserves, a key component of the capital structure framework.

## Unleashing Local Capital

*Paul Cabaj, Director, Co-operative Development,  
Alberta Community and Co-operative Association*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ◆ Opportunity Development Co-operatives represent a relationship-building model combined with a community-based financing mechanism, and support the long-term economic viability of a community.

### Summary

UNLEASHING LOCAL CAPITAL is a project that aims to empower communities to invest locally, direct their own economic development, and reduce dependency on government supports. Opportunity Development Co-operatives (ODCs) are a combination of local leadership and community-based financing that create pools of capital — raised from many investors — that are directed towards local, viable business opportunities. ODCs represent an investment opportunity in the local community by providing a return on collective investment. Trusted friends, family, and close business associates are invited to invest together and support viable businesses in the community using this socially minded, for-profit model.

The ODC model has been successful in supporting the succession of existing businesses to younger entrepreneurs who may not otherwise have access to the capital required through conventional sources. Research indicates that these projects work best, at least for the first established ODC in a community, when there is an existing business with its own clients, but it can also be used successfully for the expansion of an existing business or the establishment of a new business. In Nova Scotia, there are nearly fifty Community Investment Fund Co-operatives. Across all sectors, 50 percent of organizations are co-operatives and are lucrative investments with less than 3 percent default. The ODC model is adapted from a program in Nova Scotia called the Community Economic Development Investment Fund (CEDIF).

To establish an ODC requires gathering a group of like-minded people and identifying a business opportunity and interested entrepreneurs. An ODC acts as an anchor in the community to connect successful businesses with local entrepreneurs; it supports the union through a contribution of cash or equity, mentorship, and business patronage. Such enterprises can make significant contributions to a community by:

- sparking economic development
- stimulating community autonomy and accountability
- creating and maintaining employment
- supporting young entrepreneurs in starting their own business
- easing business succession
- providing a reasonable rate of return to local member investors from businesses within their own community
- providing a general sense of economic well-being and pride

The ODC is a relationship-building model combined with a community-based financing mechanism that supports the long-term economic viability of a community. The following two examples illustrate the power of the model.

Westlock, Alberta, is a small community northwest of Edmonton. Westlock Grain Terminals New Generation Co-operative was created in August 2002 in response to Agricore's departure, which forced local farmers to truck their grain an additional hundred kilometres or more to the next nearest elevator. Local farmers and business people created a \$1.2 million fund to buy the elevator and upgrade the facility, which has been a successful endeavour. To date, they have raised over \$2 million in local share capital in four separate share offerings, providing a healthy return on investment to their local investors.

Sangudo Opportunity Development Co-operative (SODC) was incorporated in Sangudo, Alberta, northwest of Edmonton. The aging owner of the local abattoir, unable to sell his business and considering closure, worked with a small group of local business people to create a fund of local capital. This group purchased the abattoir and was able to support young, energetic entrepreneurs by using a unique lease agreement. Since its inception, SODC has collected local capital to expand the abattoir and purchase the Canadian Legion building, which has been renovated and upgraded to include Connections Coffee House — a much-needed restaurant, coffee house, and community meeting space.

To assess risk, co-operatives must evaluate local investment opportunities, make prudent investment decisions, and reduce the costs of offerings. In conventional banking terms, ODC funds could be considered high-risk investments, yet the social benefits are many. They include a shared business acumen, investor patronage, invaluable word-of-mouth advertising, and community pride. An advantage to investing in one's own community is that there is already a sense of what will or will not work.

There are three ways in which capital can be raised using the ODC model. The first is the basic co-operative membership model: Saskatchewan legislation allows member investment of \$1,000, up to a maximum of \$100,000. Second, co-operatives can leverage member investment to borrow additional funds, and third, co-operatives can issue a prospectus to raise capital via a larger share (when raising funds in excess of \$250,000). The group determines the amount invested, based on the capital required and the structure chosen. Based on the Alberta Community and Co-operative Association's research, average investment is likely between \$5,000 and \$10,000, yet ranges from \$500 to \$25,000 or more. In most cases, then, investors are average income earners who do not need to qualify as eligible or accredited investors.

The ODC model has great potential in any community. It is a way to create greater awareness of local resources, enhance leadership capabilities, and stimulate local investment in new business, business succession, or expansion. This model keeps local capital in the community, encourages community engagement in local businesses, bolsters local economic activity, and may minimize the out-migration of young people to larger centres. Finally, and perhaps most importantly, ODCs create a greater sense of community spirit, pride, and ultimately, happiness.

# Financing Agricultural Co-operatives: Challenges and Innovations

*Jared Carlberg, Department of Agribusiness and Agricultural Economics,  
University of Manitoba*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

## Key Points

- ◆ Legislative and regulatory barriers faced by agricultural co-operatives, as well as difficulties accessing capital, can limit their competitiveness, adaptability, and sustainability.
- ◆ Success stories, such as ECO Milk in Nova Scotia, can provide insight into developing innovative capitalization models.

## Summary

A RECENTLY COMPLETED STUDY of the contributions of co-operatives to competitiveness, adaptability, and sustainability (C-A-S) found that co-operatives enhance the C-A-S of members, rural areas, and the agriculture sector in a number of important ways. The study collected data through a literature review (journal articles, co-operative literature, and “grey literature” such as reports and popular press articles) and interviews with representatives from eighteen of Canada’s largest agricultural co-operatives. Data were also collected through inquiries with co-operative experts, who were invited to contribute by addressing a series of questions about how co-operatives enhance C-A-S and the challenges they face. The second component of the research involved an analysis of ten case studies of co-operatives across Canada.

One of the goals of the research was to identify the barriers and challenges facing agricultural co-operatives, as well as to investigate how these barriers keep co-operatives from better enhancing members’ and/or agriculture sector C-A-S. The barriers and challenges identified can be broken down into two broad categories: legislative and/or regulatory, and general. Some specific legislative/regulatory barriers are undue and seemingly needless regulation (“red tape”): financing regulations, such as limits on capital that can be raised before securities must be issued; biofuel mandates where, in some provinces, it is nearly impossible to blend enough biodiesel in summer to cover winter requirements; supply management; and a lack of coherent, integrated regulations across provinces and between levels of government.

With respect to general barriers, difficulty accessing capital was identified as the most common.

A lack of human resources, both professional and unskilled, was of particular concern in rural areas, as was the declining rural population. Some respondents cited the lack of flexibility or responsiveness within the co-operative structure, or a lack of understanding of the co-operative model, despite the success rate of co-operative start-ups compared to privately held firms. A lack of capital makes start-up more difficult, and those co-operatives that do get off the ground can be plagued by a lack of operating capital and/or cash flow. Difficulties in acquiring equity investment can cause co-operatives to become highly leveraged and prone to failure. Respondents also cited divergent member interests — such as young vs. old farmers, small vs. large farms — as barriers.

Having identified such challenges, the study also highlights successes and points to innovations in co-operative financing, such as Nova Scotia's Community Economic Development Investment Funds (CEDIFs). Founded in 1999, the program has issued 121 CEDIFs as of 2011. The program features a 35 percent provincial income tax credit that can be carried back three years, or forward seven years, and is eligible for RRSPs. The shares issued as part of a CEDIF must consist of newly issued common stock with voting rights. The East Coast Organic Milk Co-operative (ECO Milk), a four-member organic dairy co-operative in Nova Scotia, is an example of a local capital success story. Two members have been certified organic and the remaining two are transitioning to organic production over next two years. ECO Milk has raised \$120,000 under Nova Scotia's CEDIF program and has used their initial capital for business and product development, marketing, and operating capital. Officially launched 18 October 2012, the company offers homogenized, 2 percent, and skim milk, with plans to introduce half-and-half cream soon. ECO Milk partnered with Cook's Dairy in Yarmouth for processing, as organic processing runs require special cleaning. They have also partnered with Halifax-based Farmers' Dairy to handle other business aspects such as distribution, merchandising, invoicing, and collections.

Based on the findings of this study, one of the lessons learned is the importance of developing innovative capitalization models for co-operatives. This is, in fact, necessitated by ongoing reductions in resources for the co-operative sector. A lack of resource development and financing options for co-operatives are hindering increased adoption of the model, and rural areas may end up affected most. Ultimately, the question remains: Who is responsible for developing new strategies?

Concurrent Session A-3  
Co-operating for Effective Participation in Public Policy  
— *Positioning for successful partnership in public policy development*

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## Manitoba Co-operative Development, Vision, and Strategy: Facilitating Co-operation amongst Co-operatives and with Government

*Vera Goussaert, Executive Director, Manitoba Cooperative Association*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ The Manitoba Co-operative Association, the provincial government, and the Economic Development Council for Manitoba Bilingual Municipalities worked together for the development of the Co-operative Community Strategy.
- ◆ The Co-operative Development tax credit is the first of its kind in Canada and provides technical assistance, co-ordination of existing supports and services, as well as grants and strategic investments. All co-operatives in Manitoba are eligible to contribute.

### Summary

THE MANITOBA COOPERATIVE ASSOCIATION'S (MCA) vision and strategy aims to stimulate, broaden, and sustain the development of a socially and economically successful Manitoba co-operative community. A stronger and more influential co-operative community will increase the number and types of co-operatives and the number of jobs created, strengthening the province's economy. More integrated approaches to financing and skills development translate into self-sufficient co-operative communities that are better able to meet challenges and pursue new opportunities. This allows co-operatives to have a greater positive social and economic impact in their communities. MCA's Vision and Strategy have three strategic objectives: to create a more supportive environment to establish and sustain on-going co-operative operations; to foster an awareness and understanding of the value and the principles of co-operatives; and to provide better infrastructure supports and services for co-operatives.

In November 2007, the provincial government announced an allocation of \$250,000 per year, over five years, for co-operative development. This began the initial conversations among MCA, the

province, and CDEM (Economic Development Council for Manitoba Bilingual Municipalities). The following summer, consultations began for the development of the Co-operative Community Strategy. In December 2008, the completed strategy was presented to the Minister of Agriculture, Food and Rural Initiatives responsible for Co-operative Development. Concurrently during this process, Monica Adeler began her research in September 2007 on *Enabling Policy Environments to Facilitate Co-op Development*, which was completed in August 2008. This research looked at tax policies in Italy, Spain, and Quebec that facilitated co-operative development. More information about this research can be found here.

During the fall of 2009, a cabinet shuffle resulted in the transfer of responsibility for co-operative development to Housing and Community Development. In January 2010, the three partners (MCA, CDEM, and the province's Strategy Steering Committee) hired a project manager, Erwan Bouchaud, to oversee the implementation of the strategy. In spring 2010, three working groups were established to identify and implement activities under each of the strategic priorities. A milestone was achieved when, in June 2010, the steering committee reviewed first-year action plans from each working group and prioritized funding needs. Between 2008 and 2009, MCA met regularly with Manitoba Finance and the CEDC Secretariat (the Community Economic Development Committee of Cabinet). In the summer of 2010, mechanisms and regulations were created within the Income Tax Law and by 1 October 2010, MCA was able to accept the first contributions to the fund. In December of that year, MCA hired Cheryl Krostewitz as the co-operative developer and fund administrator.

The first working group was tasked with a number of responsibilities:

- creating an inter-departmental group within government
- amending the Co-operatives Act to include multistakeholder co-operatives
- creating a co-operative fund dedicated to supporting the strategy
- developing co-operative research
- implementing a Housing Co-operative Mobilizer Pilot Project
- creating a Co-operative Development Tax Credit

The second working group was kept equally busy:

- leading IYC promotion and activities for Manitoba
- advocating for co-operative content at conferences, workshops, and symposiums
- distributing, translating, and promoting All 4 Each/Tous pour un in high schools
- expanding the Youth Co-operative Services program in Francophone and Anglophone communities
- developing a relationship with the Faculty of Business and Economics at the University of Winnipeg

Finally, the third working group created a Provincial Co-operative Developer Network, regular communication pathways for the co-operative community, an off-line database of Manitoba co-operatives, and co-ordinated various grant funds for co-operatives (such as the Co-operative Development Fund, the Co-operative Tax Credit Fund, and the Co-operative Assistance Fund).

The Co-operative Development tax credit is the first of its kind in Canada. It was created to

encourage co-operation amongst co-operatives and would not have been possible without the support of many community members and the province. The Tax Credit Fund is managed by the Manitoba Cooperative Association to provide technical assistance, co-ordinate existing supports and services, as well as to provide grants and strategic investments. MCA submits an annual plan to the province to outline specific activities and budgets. The tax credit is designed so as to solicit contributions from many co-operatives. All co-operatives in Manitoba, including nonprofits, are eligible to contribute. MCA issues tax receipts on contributions based on a first-come, first-served basis, with a \$200,000 cap on credit.

Moving forward, working groups continue to meet and develop annual action plans that are reviewed by the steering committee. The steering committee is planning to initiate a strategy evaluation in 2013. More information about the strategy can be found [here](#).

## Grassroots Government Relations: CU Nation™

*Kevin Dorse, Manager, Advocacy, Credit Union Central of Canada*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Strong grassroots advocacy and network development requires a proactive approach.
- ◆ The federal government has traditionally focused on banks, but there is interest among MPs to learn more about credit unions.

### Summary

CREDIT UNION CENTRAL OF CANADA (CUCC) is the national trade association for the credit union system. The credit union system consists of 359 local credit unions and *caisses populaires* (in Quebec) with 1,748 branches in nine provinces. This includes three provincial centrals, two regional centrals, and one federation of Ontario-based *caisses populaires*.

The sustained health of credit unions is very much tied to an awareness of what is happening within the federal government and it is critical that credit unions remain relevant and understood. Among the many things co-operatives must consider are the Financial Transactions and Reports Analysis Centre of Canada, lending relationships with Farm Credit Canada and other crown corporations, the new federal credit union option, and the new Canadian Mortgage and Housing Corporation mortgage rules. Indeed, as this level of government is often focussed on traditional banking systems, there is a strong need for education and awareness of the role of credit unions. Encouragingly, MPs are very much interested in learning about credit unions (97 percent of federal ridings have at least one credit union). Generally there are three approaches to advocacy at the federal level: hired lobbyists, in-house lobbyists, and grassroots advocacy. Hired lobbyists work for lobby firms on behalf of a list of clients; going this route can be very expensive and possibly viewed with suspicion. In-house lobbyists, traditionally, are not experts and have limited reach. Grassroots advocates move government relations away from Ottawa to local ridings, which can be an advantageous approach for co-operatives.

In 2010, CUCC undertook a careful examination of its government relations activities. A SWOT analysis (strengths, weaknesses, opportunities, and threats) revealed that the strength of credit unions includes a locally based model with local expertise that offers people a different approach to financial business. A weakness may be that they are misunderstood at the federal level by officials

who are familiar mainly with traditional banks; they may also be perceived as irrelevant by some or considered to have limited reach. Opportunities include the new federal credit union option working its way through parliament, a diversification of financial institutions, and a trend in consumer activism such as “Bank Transfer Day” in the US, which encourages people to switch from traditional banks to credit unions. Identified threats include the lending practices of Farm Credit Canada and other crown corporations, a growing regulatory compliance burden of financial systems generally, and the ability of co-operatives to respond to public policy threats.

It became clear that credit unions must leverage their strength with legislators to build meaningful relationships within the federal government. A grassroots approach makes the most sense. Focussing on local strengths — such as the fact that nearly every riding has at least one credit union — leverages the responsiveness of MPs to constituents. The advantage of expertise cannot be emphasized enough within a grassroots approach, as this translates to *authority* among legislators. Finally, the difference that a credit union can make needs to be clearly articulated to politicians. Every credit union is undertaking an initiative in its community or branch, setting it apart from mainstream institutions. Such initiatives involve financial literacy, social finance, energy-efficient branches, or community donations and scholarships. The memorable stories that make up the heart of credit unions are powerful tools for engaging MPs with this important grassroots advocacy.

CU Nation™ came about in 2011 as a partnership between CUCC and the provincial/regional centrals to build an advocacy network that leverages strengths into the system and builds pro-credit-union relationships with elected officials. CU Nation™ is made up of people working at credit unions across Canada who are passionate about the difference their credit union makes. There is currently a core of nearly two hundred advocates working across Canada, 58 percent of whom are from western provinces, where, incidentally, 60 percent of the country’s credit union branches are located.

There are a few core responsibilities involved in working as an advocate for CU Nation™, one of which is an ongoing effort to move away from a centralized focus on the federal government and undertake activities and initiatives that move advocacy to the local, riding level. Examples include *Hike the Hill at Home* during the summer, attending barbeques hosted by MPs, inviting MPs to local/regional AGMs, and so forth. *Hike the Hill* is a seasonal effort wherein advocates meet with MPs on Parliament Hill and articulate the value and benefits of co-operatives within their riding. Looking forward, there will be a greater emphasis on “arm-chair advocacy,” intended to create simple, accessible options for advocates to share co-ordinated and focussed messages with their MP, primarily through the use of email or social media networks. The current focus is not on high-impact lobbying, but rather on education and awareness, with the aim of building strong relationships with MPs.

CU Nation™ builds capacity and facilitates knowledge exchange through webinars, conferences, and its e-newsletter, *The Advocate*. CU Nation™ supports advocacy through Action Alerts, briefing notes, messaging, and information about specific MPs. There is a Policy and Government Relations team, made up of six people, working for CU Nation™ in Ottawa. Active advocates spend four to six hours every quarter arranging and holding meetings, with the express aim of assisting grassroots advocacy efforts. Such initiatives are but one way in which co-operatives can work together for effective advocacy at the federal level.

## Co-operating for Effective Participation in Public Policy: Positioning for Successful Partnership in Public Policy Development

*Shawn Murphy, Manager, Government Relations, Canadian Co-operative Association*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Effecting a change in public policy requires “selling” a clear and concise message.
- ◆ Public policy change involves politicians, public servants, and stakeholders within the co-operative sector.

### Summary

THE IMPORTANCE OF CLEAR AND CONCISE MESSAGING cannot be overstated. Changing public policy must be thought of as a sophisticated sales job where the three pillars of public policy — politicians, public servants, and one’s own sector — buy into the “sale.”

With politicians, the emphasis is on clear and simple messaging that concisely summarizes benefits to the politician. Co-operatives must seek a champion for the cause, working closely with a politician to provide the necessary information and speaking points, which will increase the success of any advocacy efforts. Working with public servants, it is important to keep in mind the constraints and budget cuts resulting from the federal government’s Deficit Reduction Action Plan, which may limit the ability of public servants to focus on policy change. Public servants are often overwhelmed with work, and assistance with the background information, such as in the approach with politicians, can support them in working towards policy change. Within the co-operative sector, a unified voice, resulting from member buy-in, ensures a coherent message. Patience also helps.

There is no single or simple way to develop and change public policy. Perseverance, time, and the ability to adapt to a changing market are the key considerations for co-operatives looking to effect change through policy.

## Building a Better Arctic through Co-operatives

*Mary Nirlungayuk, Vice-President, Corporate Services, Arctic Co-operatives Limited*

### Key Points

- ◆ Arctic Co-operatives Limited shares a vision of people working together to improve their social and economic well-being.
- ◆ The organization co-ordinates the resources, consolidates the purchasing power, and provides operational and technical support to its community-based co-operatives to enable them to provide a wide range of services to their local member owners in an economical manner.

### Summary

ARCTIC CO-OPERATIVES LIMITED (Arctic Co-ops) is a service federation owned and controlled by thirty-one community-based co-operative business enterprises in Nunavut and Northwest Territories. Arctic Co-ops co-ordinates resources, consolidates purchasing power, and provides operational and technical support to its co-operatives, enabling them to provide a wide range of services to their local member-owners in an economical manner. In addition to Arctic Co-ops, the Arctic Co-operative Network includes the Arctic Co-operative Development Fund, Canadian Arctic Producers (located in Mississauga, ON), Northern Images, a number of subsidiaries, and Inns North Hotels. Partnerships include Gay Lea Foods Co-operative Limited, the Canadian Co-operative Association, and the Financial Consumer Agency of Canada.

The Cold War and issues around Arctic sovereignty led to the creation of the Distant Early Warning Line. Inuit were moved 2,000 km in Cold War manoeuvring to small communities with little to no services and a strong presence of Roman Catholic Missions. Hunting, trapping, and the sale of fur allowed Inuit and Dene people to trade fur for life necessities, while the making and selling of arts, crafts, and soapstone carvings helped to meet the needs of the community. Early co-operative facilities were log structures and provided services related to fur, art, fishery, municipal, fuel, retail, and transient centres.

Arctic Co-operatives Limited was incorporated in 1972 and provides support to a co-operative network that had combined revenues of approximately \$196.7 million in 2012. The Member Co-operative Patronage Refund in 2012 was \$12.3 million. More than nine hundred people are employed in Arctic Co-ops' network and it is the largest private-sector employer of Aboriginal

people in the North, demonstrating strong Aboriginal community economic development in Canada. The thirty-one co-operatives are independently owned and controlled Inuit and Dene businesses. They operate retail facilities, hotels, post offices, cable operations, construction companies, outfitting businesses, arts and crafts production, taxi services, and property rentals. Co-op stores sell a range of goods, from ATVs, snow machines, oil, parts, and tools to food and sewing materials. There are twenty Inns North hotels and cable TV services to twenty-five communities, with training provided to local technicians.

In 2010, consolidated net savings was \$18.6 million, representing an increase of \$4 million over the year before, and \$13.3 million was returned to local co-operative members as patronage refunds. Local co-operatives returned \$9 million in cash, and \$28.2 million in wages and payments was provided to artists. Arctic Co-ops supports local co-operatives by providing merchandise supply and logistics, management advice, information technology, accounting expertise, human resources, training and education, technical support, project development, art marketing, governance, and special initiatives (such as co-operative development, government relations, language and culture, financial services, recycling programs, and financial literacy).

Retail merchandise is consolidated to co-ordinate the buying power of all local co-ops for the purchase and transport of all products sold in these multipurpose businesses, which includes everything from food and clothing to building material, equipment, and vehicles. Purchasing art from co-operatives, Arctic Co-ops also operates both wholesale and retail art marketing services for member co-ops through Canadian Arctic Producers and Northern Images, respectively. The two Northern Images stores are located in Churchill, MB, and Yellowknife, NWT. Transportation of goods can prove challenging, navigating the logistics of road, air, ship, barge, and winter roads. Seventy percent of goods are delivered by air freight and annual re-supply is by sea.

The Arctic Co-operative Development Fund offers fixed asset financing, inventory financing, long-term financing, and co-operative development. The concept is based on a self-managed fund of pooled financial resources owned and controlled by the businesses accessing the funds. The goal is to provide leadership in financial planning and the orderly development of the co-operative system while maximizing the benefits of available financial resources and maintaining the integrity of the fund and the system. Since 1986, the fund has provided \$500 million in financing to member co-operatives and has also issued patronage refunds of \$19.9 million.

Today, the co-operative system is a thriving network of locally owned and controlled businesses operating in one of the harshest environments in the world, facing extreme weather conditions, inadequate infrastructure, and high transportation costs. Arctic Co-ops shares a vision of people working together to improve their social and economic well-being. This vision is pursued through democratically controlled co-operative businesses that operate on the values of fairness, equality, self-responsibility, and mutual self-help. Arctic Co-ops believes in the ethical values of honesty, openness, social responsibility, and caring for others. Arctic Co-ops' mission is to be the vehicle for service to, and co-operation among, the multipurpose co-operative businesses in Canada's North, by providing leadership and expertise to develop and safeguard the participation of member-owners in the business and commerce of their country, to assure control over their own destiny.

## Plenary II: Strategies for Co-operative Success in the New West

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# Strategies for Co-operative Success in the New West

*Scott Banda, Chief Executive Officer, Federated Co-operatives Limited*

## Key Point

- ◆ Federated Co-operatives Limited has outlined six strategies for a successful co-operative in the New West: clear values, people strategies, prudent financial performance, a clear brand, investment in technology, and maximizing the advantages of the co-operative model.

## Summary

FEDERATED CO-OPERATIVES LIMITED (FCL) is owned by 232 co-operatives in western Canada that serve more than 1.5 million members in over 500 communities through 2,500 facilities. FCL's business lines include energy, food, crop supplies, home and building supplies, feed, and logistics. In 2011, FCL had sales of \$8.3 billion, making it the fifty-first largest company in Canada. Bottom line savings were \$839 million and \$540 million in patronage was allocated to FCL's retail members. FCL's values are integrity, excellence, and responsibility. The company's vision is "to set the world standard in consumer co-operative excellence."

Based upon FCL's experience, there are six strategies for co-operative success in the New West.

First, a co-op must define and articulate clear values, which are a key part of the model. Values are a distinct point of differentiation from competitors, attractive to employees in the new economy, and must be known and celebrated throughout the co-operative.

Second, a co-op must have good people strategies. Nothing happens in an organization without people. A co-op must have clear talent-management strategies that are aligned with the vision, values, and brand of the organization. Engaged people will innovate and build the future.

Third is prudent financial performance. The co-op business model must generate a surplus. Ideas require resources in order to be implemented. Co-ops do not access the capital market and therefore must either borrow or generate a profit; only the latter is sustainable.

Fourth, co-ops need a clear brand. Brand is the sum of all the experiences a stakeholder has with an organization. The brand of the co-op has to be authentic and intentional, and it must be lived by the employees and the organization. The values of the brand have to inform all of the marketing or

public interfaces of the co-op. A co-op's brand is the different space in which it can compete.

Fifth is the importance of technology. All industries are changing rapidly and competitors are getting larger and more sophisticated. Co-ops must invest in technology to obtain business intelligence and to provide business analytics in order to innovate and compete.

Sixth is to take advantage of the co-op model. A co-op has a stable ownership base as opposed to a publically traded company, whose investors may change quickly as they focus on immediate returns. In other words, on quarterly results. A co-op's members are not only long-term investors but they are also vested in the communities where the co-op operates and are users of the business. This stable ownership structure allows the co-op the opportunity to plan for the long term. If co-ops execute these long-term plans, they may have an advantage.

Nimbleness is a challenge for the co-op model because of its more accountable governance structure. However, co-ops can be nimble if they are aligned around values, vision, and brand.

If a co-op can build long-term strategies and plans in these six areas and execute those plans, they will be able to successfully compete into the future.

## Strategies for Co-operative Success

*Mark Lane, Chief Executive Officer, Affinity Credit Union*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ◆ Affinity Credit Union's success can be attributed to democratic member control as well as access to education, training, and information among the membership.

### Summary

AFFINITY CREDIT UNION (ACU) boasts \$2.8 billion in assets and more than ninety-five thousand members, making it the second largest credit union in Saskatchewan. With forty-four branches in thirty-six communities, ACU prides itself on accessibility, financial strength, experienced leadership, expert employees, innovative technology, and successful mergers. ACU's core values, to which its ongoing success can be attributed, are democratic member control and concern for the community, as well as education, training, and information, which are tracked by individual achievement accounts. Three aspects of ACU's strategies for success are strong governance, skilful use of money, and responding to the needs of members. Governance entails all levels of involvement, from members and delegates to directors, and strong emphasis is placed on succession planning. Leveraging financial tools for the benefit of members can be seen in ACU's membership in the Global Alliance for Banking on Values, and more recently, the opening of an ACU branch on Cowessess First Nation. Listening and responding to the needs of members includes developing timely online and face-to-face services based on feedback received.

Partnerships are a strong element of ACU's operations, where success lies in the ability to forge new relationships, strengthen existing partnerships, and develop innovative solutions to shared challenges. Entry-level housing is an area in which ACU has provided support through equity-building mortgages and initiatives such as the HeadStart on a Home and the Home and Mortgage Flexibilities Support Program. Nontraditional financing is one of ACU's key innovations; examples include Farm in the Dell, Station 20 West, and Hope's Home. Providing opportunities for at-risk youth is also a priority. EGADZ, the Core Neighbourhood Youth Co-op, and Art for Life are some of the ways in which ACU supports youth in the communities it serves.

Concurrent Session B-1  
Co-operative Social Responsibility and Community Reinvestment  
— *Demonstrating the co-operative difference*

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## Co-operative Social Responsibility and Community Reinvestment: The Co-operators

*Barbara Turley-McIntyre, Senior Director, Sustainability and Citizenship,  
The Co-operators Group Limited*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/B-Turley-McIntyre-pdf-no-notes.pdf>

### Key Points

- ◆ The mission of The Co-operators is financial security for Canadians and their communities.
- ◆ The Co-operators Group of companies prides itself on being socially and environmentally responsible and makes significant socio-economic contributions to the communities it serves.

### Summary

THE CO-OPERATORS is a leading Canadian-owned, multiproduct insurance and financial services organization with more than \$40.3 billion in assets under administration. It is a co-operatively structured organization with 4,700 staff, including 512 exclusive agents and more than 850 brokers across four contact centres. Co-operators Financial Services Limited includes Addenda Capital Inc., Co-operators General Insurance Company (Sovereign General Insurance Company and COSECO Insurance Company), Co-operators Life Insurance Company (TIC Travel Insurance Coordinators Ltd.), and Federated Agencies Limited (HB Group Insurance Management Ltd.). The Co-operators Foundation contributed a total of \$6.4 million to various initiatives that support the communities served.

The mission of The Co-operators is financial security for Canadians and their communities. In its vision, The Co-operators aspires to be valued by Canadians as a champion of their prosperity and peace of mind; a leader in the financial services industry, distinct in its co-operative character; and a catalyst for a sustainable society. The organization strives for the highest level of integrity, fosters open and transparent communication, gives life to co-operative principles and values, carefully

tempers economic goals with consideration for the environment and well-being of society at large, and surpasses client expectations through innovative solutions supported by mutually beneficial partnerships. This approach is a more humanist form of economic activity. People want to have a voice and this model ensures an organizational structure that is accountable to the people it serves and the communities in which it operates.

There is a clear need for a more sophisticated form of capitalism, one that emphasizes a social purpose and moves beyond a short-term approach to business. Companies must take the lead in bringing business and society together, using shared values to reset the boundaries of capitalism. Co-operative enterprises build a better world in a number of ways. They empower people by improving livelihoods and strengthening the economy, enabling sustainable development, and balancing both social and economic demands. Co-operatives also provide a sustainable business model for youth. Sustainability is the result of many interconnected elements, including people, clients, governance and operations, investments, relationships, and the public voice.

The Co-operators is committed to socio-economic contributions, evident through the initiatives of The Co-operators Foundation, which contributes 4.62 percent of pre-tax profits to community causes, qualifying The Co-operators as a Caring Company with Imagine Canada for demonstrating leadership in community investment. The IMPACT! Fund program, for example, supports youth programs for sustainability leadership and has, to date, contributed \$252,043 towards student-led projects.

The Co-operators is a participant in the Leave for Change program. This unique partnership enables staff to exchange two weeks of personal vacation time and a one-week paid leave from The Co-operators for a three-week, overseas volunteer work assignment. Entering its fifth year, the program attracted six staff in 2012; twenty-one staff members have participated in the program to date.

In the National Co-operative Challenge, The Co-operators donates \$220,000 to twelve emerging and expanding co-operatives to support a stronger voice in their communities and a chance to grow. The Challenge is an opportunity for emerging co-operatives to win valuable prizes aimed at growing their businesses. Along with increased exposure in their communities, participants can also win funding. One winner will also receive a customized consultative services package on how to better market their products and services, as well as a promotional video. The Challenge is a cross-company, cross-departmental opportunity to increase the profile of both The Co-operators and the co-operative sector overall. Further, The Co-operators made donations to the Co-operative Development Foundation of Canada, the Canadian Co-operative Association, and the International Co-operative Alliance in support of the International Year of Co-operatives.

Although not explicitly sought, recognition is valued both within and outside of the organization. Among staff members, 94 percent believe their organization within The Co-operators Group of companies is socially and environmentally responsible. The Co-operators has been named one of the Best 50 Corporate Citizens in Canada by Corporate Knights, one of Canada's Best Employers in 2012, and one of Canada's Green 30 companies by *Maclean's* magazine.

## Co-operative Social Responsibility and Community Reinvestment

*Priscilla Boucher, Vice-President Corporate Social Responsibility, Assiniboine Credit Union*

### Key Point

- ◆ Assiniboine Credit Union aims to use finance “for good,” supporting community development initiatives that reduce or eliminate the financial exclusion of under-served and marginalized populations.

### Summary

ASSINIBOINE CREDIT UNION (ACU) is a financial co-operative with \$3.4 billion in assets and 109,000 members served by 590 employees. ACU is committed to social, environmental, and ethical responsibility in all aspects of its business practice. There are twenty-five branches: twenty-three in Winnipeg and two in northern Manitoba. The co-operative differences that set ACU apart from traditional financial services are social responsibility and community reinvestment. When it was noted that member turn-out for board election votes or annual general meetings was consistently low, ACU surveyed members in 2011 and 2012 to try to learn why. It was discovered that being a financial co-operative *does* matter to members: 88 percent said that it’s important for their financial institution to be a co-operative, rather than a traditional bank, and 90 percent chose ACU specifically for this reason. They ranked good/personal service, strong social/community values, and local ownership/decision making as the top differentiators between credit unions and banks.

The democratic structure of co-operatives ensures responsiveness to member needs, as well as guides community-focussed growth and change. In the early 1990s, for example, when some ACU members felt that the direction was “too much like a bank,” the organization mounted a campaign to elect a progressive board of directors to return to ACU’s roots. This “greening of Assiniboine” had a significant impact on the direction of the credit union and has driven the co-operative social responsibility agenda ever since. Today, ACU is a proud member of the Global Alliance for Banking on Values, an independent network of progressive banks and credit unions that use finance for the benefit of people, communities, and the environment. The network shares a commitment to generating a “triple bottom line” — People, Planet, and Profit. The focus is on maximizing finance and basic financial services as tools for addressing social, economic, and environmental concerns facing members and the communities in which they live in.

ACU's goal is to use finance "for good," to grow the social impact book of business while attracting and retaining members who share an interest in these issues. Two of the twenty-three branches in Winnipeg were opened in low-income neighbourhoods in response to a gap in financial services. The McGregor Branch opened in early 2012 to bring affordable financial services back to Winnipeg's North End, a neighbourhood with a high percentage of Aboriginal and immigrant residents. To ensure long-term sustainability, ACU's business case showed that at least \$6 million in new business needed to be raised before opening the branch. With the support of early investors who cared about the prevalent financial exclusion of North End residents, ACU raised more than \$18 million.

ACU works with community partners to reach out to unbanked and under-banked citizens, welcoming them as members to open accounts and access affordable financial service. Partnerships serve marginalized communities (e.g., Aboriginal, immigrant, people with disabilities, women) by promoting inclusivity. Since 2000, ACU has partnered with SEED Winnipeg — a local nonprofit — to support people living on low incomes to build assets, access credit, and create opportunities for themselves and their families. This includes providing a special Matched Savings Account for participants of poverty-reducing Asset Building Programs. Such programs

- help participants to save and purchase assets that will improve their lives
- open RESPs for families and help them to apply for the Canada Learning Bond and other grants
- provide access to credit for micro-entrepreneurs creating employment for themselves
- offer Recognition Counts! Loans for skilled immigrants seeking the certification or training needed to work in Manitoba

ACU's Business Financial Centre specializes in financing small and medium-sized businesses that create jobs and prosperity in the local economy. The Community Financial Centre is dedicated to serving community enterprises (nonprofits, co-operatives, and other social enterprises) and business start-ups so they have the financing and financial services they need to be successful. ACU is in the process of developing special lending guidelines that consider both risk and community impact in making credit decisions. The organization also worked closely with leaders from the local Muslim community to launch the Islamic Mortgage — a unique home purchase financing arrangement acceptable to those of Islamic faith. Though there were some challenges, ACU worked with regulatory and banking systems to bring this product to market.

Using finance "for good" is about providing service to under-served markets — individuals, organizations, and neighbourhoods not well served by the financial mainstream. Doing so contributes immensely to the social, economic, cultural, and environmental well-being of communities. The challenges are many — success requires innovation, partnerships, and the ability to distinguish between "perceived" and "real" risk. It requires efficiency and efficacy in delivering financial solutions that work. Most importantly, it requires a belief that using finance "for good" is both important and possible. And for credit unions, it requires continued commitment to providing excellent service to members and the broader community while staying true to co-operative values. For ACU, measures of success include the growth of its social impact book of business and the positive support of members and employees. In 2012, ACU's social impact portfolio grew by \$17 million; 66 percent of members and 92 percent of employees expressed support, pride, and trust in ACU's commitment to co-operative social responsibility. ACU's work makes a difference.

## The CHS Foundation

*William J. Nelson, President, CHS Foundation,  
Vice-President Corporate Citizenship, CHS Inc.*

### Key Point

- ◆ The CHS Foundation is committed to investing in the future of rural America, agriculture, and co-operative business through education and leadership development.

### Summary

THE CHS FOUNDATION is the major giving entity of CHS Inc., an energy, grains, and foods company with a stewardship focus of building vibrant communities. The CHS Foundation is managed through the CHS Marketing Communications division in Inver Grove Heights, Minnesota. CHS Foundation staff members are also responsible for overseeing CHS corporate giving, employee volunteerism activities, the United Way campaign, and the New Leader Institute, a young producer conference held in conjunction with CHS's annual meeting. As a part of the corporate giving community, the CHS Foundation is a member of the Minnesota Council on Foundations.

Giving can be traced back to 1946, to the establishment of the CHS Foundation's predecessor organizations, the Cenex Foundation and Harvest States Foundation. These two groups merged on 1 December 1998 to create today's CHS Foundation. The CHS Foundation is organized under Minnesota statutes and is governed by an elected board of trustees. The articles and bylaws specify that the trustees are the same individuals who are the elected directors of CHS Inc.

The CHS Foundation supports national efforts related to its mission. Funding is also available for programs within the CHS trade territory for regional, multi-state, or state-wide projects. Giving outside national efforts typically reaches the following states: Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin and Wyoming. Depending on circumstances, other geography may be considered.

CHS's commitment focuses on five program areas:

- University Partnerships — The CHS Foundation is committed to investing in the future leaders in co-operative business and agriculture at the collegiate level through scholarships, grants, and resources. This program area is designed to encourage academic, professional, and leadership development among today's college students pursuing careers in the agricultural industry.

- Rural Youth Leadership Development — Growing leaders of tomorrow is the focus of the Rural Youth Leadership Development program area. The CHS Foundation provides support to a wide range of youth leadership development programs through established organizations, such as FFA, 4-H, Ag in the Classroom, and Junior Achievement, in rural communities. Support is targeted to programs emphasizing leadership development through education. Funding is provided at the state, regional, and national levels.
- Co-operative Education — The CHS Foundation supports co-operative education through a variety of programs. Annual project support typically involves more than sixty programs from twenty-plus organizations.
- Returning Value to Rural Communities — This program area is primarily targeted at building leadership capacity in rural America through adult education and leadership initiatives. However, the CHS Foundation is open to innovative and collaborative approaches to address emerging issues and opportunities in rural communities. The CHS Foundation may accept and fund proposals to support these projects.
- Farm and Agriculture Safety — The CHS Foundation recognizes the importance of safety in agribusiness, on the farm, and in agricultural-based communities across the country. Each year, grants are provided to support education programs that help keep farm families, children, and agribusiness professionals safe.

Concurrent Session B-2  
Net Smarts for Co-operatives  
— *Connecting with co-operative members and social media workers*

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## Our Social Media Journey: A Conexus Love Story

*Eric Dillon, Chief Executive Officer, Conexus Credit Union*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Social media has revolutionized the way in which co-operatives interact and work with members, particularly with younger members.
- ◆ Social media has significant advantages, but it must be skilfully navigated and managed, requiring both specialized knowledge and marketing savvy.

### Summary

When credit unions were first established, they had well-defined functions. They served a distinct, homogenous group, such as teachers or residents of particular communities. They were intended to benefit an under-served market and they were geographically concentrated, making it easier to engage members in decisions and the overall functioning of the credit union. The landscape in which credit unions operate has evolved significantly, and successfully navigating these changes requires an understanding of the power — and pitfalls — of social media. Some key social media tools to be knowledgeable of and comfortable with include Facebook, YouTube (especially the corporate channels), Twitter, and LinkedIn. For instance, Twitter has turned into a great tool for communicating with many business partners and community organizations.

## Access Communications Co-operatives Limited

*Jim Deane, President and Chief Executive Officer,  
Access Communications Co-operatives Limited*

### Key Point

- ◆ Access Communications is a community-owned co-operative dedicated to providing exceptional communications and entertainment services and unique opportunities for local expression.

### Summary

ACCESS COMMUNICATIONS CO-OPERATIVES LIMITED (AC) is a 100 percent Saskatchewan-owned nonprofit co-operative committed to providing exceptional communications and entertainment services. AC is also committed to community development, reinvesting 100 percent of earnings into the communities served, proudly working with the people of Saskatchewan to make great things happen. AC is a community-owned co-operative dedicated to providing exceptional communications and entertainment services and unique opportunities for local expression. Values at AC are integrity, employee-centred, customer focused, community oriented, and innovation. The organization's passion, commitment, and leadership are producing unrivalled communications and entertainment services in the communities served.

The Access Communications Children's Fund contributes funds and support to youth-based not-for-profit organizations and charities. The Children's Fund assists children and their families in need in the many communities served. Donations from Access TV Bingo viewers and staff members enable local charities and nonprofit organizations to enhance the quality of life for those who may need a helping hand. The Access Communications Children's Fund TV Bingo allows viewers to tune in, play, and call to report a winning card. Access TV Bingo is the major fundraising initiative for the Children's Fund, with a prize board of \$5,000–\$10,000 each week.

AC believes that youth who volunteer their time in order to improve their communities should have their efforts encouraged and rewarded. The Centennial Scholarship recognizes graduating students who demonstrate exemplary community involvement as well as academic achievement. Since the launch of the initial program in 2005, Access Communications has put more than \$145,000 into the hands of high school graduates across Saskatchewan.

## Transparency and Honesty in Social Media

*Kathryn Slater, DSA Media Network*

Presentation available at <http://vimeo.com/52770122>

### Key Points

- ◆ Social media is a powerful tool that, when used efficiently and strategically, can boost the profile of a co-operative among members and the public at large.
- ◆ A coherent plan, a team-based approach, and guiding principles of honesty and transparency are key to the successful use of social media.

### Summary

SOCIAL MEDIA CAN BE A POWERFUL TOOL for co-operatives, supporting virtual communities where people create, share, and exchange information and ideas. It can provide invaluable information and communication channels for existing and potential members. Common examples of social media technology include Facebook, LinkedIn, YouTube, and Twitter. These technologies provide an opportunity to promote the products and services of the co-operative, as well as to increase its public profile overall. Before exploring the power of social media, however, co-operatives must first ensure that they have a strong online presence — at a minimum, contact information (such as a telephone number, email, or mailing address) should be relatively easy to find online.

Effective use of social media requires a coherent plan, one that uses a team-based approach to push a singular plan or idea. Social media offers up the co-operative's brand to scrutiny, but also provides an opportunity to gain trust by showing customers that they are heard and respected. This is achieved through the guiding principles of honesty and transparency. Transparency ensures that co-operative methods and objectives are made explicit. It means that customers are always aware of what happens with the information and data collected through social media tools.

Co-operatives wishing to explore social media must be prepared to face criticism or opposition, understanding that success lies in the effective management of divergent views or conflict. The example of a youth-focussed financial program in Alberta illustrates this well. Young and Free is a chequing account available to youth under the age of twenty-five through Servus Credit Union. Targeting any specific demographic requires dedication, a great deal of planning, risk assessments, and a true understanding of the population of interest. Knowing that the youth demographic has been historically ignored by banks, Servus understood their growing purchasing power in the con-

text of Alberta's booming economy, especially with increased employment in northern regions of the province. With the aim of "owning" the youth market, Servus beefed up its online and social media presence in 2007, creating a Facebook page and hiring a youth ambassador (Spokester) to promote products and services. The success of this undertaking has been helped significantly by the swift and effective management of dissent, addressing concerns directly through social media and demonstrating initiative in ensuring that all voices are heard.

Kathryn's advice for any co-operative looking to use social media in their work is to fail fast, apologize, learn from the mistake, and keep going. Failure in this instance is an opportunity — it provides the chance to acknowledge a mistake and gain public trust through honesty and transparency. As Kathryn puts it, "Make your own mistakes, archive it, and tell a story." Kathryn can be reached on Twitter at @kathryn\_slater.

Concurrent Session B-3  
Co-operative Roles in Regional and Resource Development  
— *Co-operating for resilience and sustainable regional development*

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## Building Sustainable Regional Economies through Social Economy Organizations

*Lou Hammond Ketilson, Director, Centre for the Study of Co-operatives, and PI, Northern Ontario, Manitoba, and Saskatchewan Social Economy Research Network*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Social economy enterprises contribute to the development of communities that are inclusive, sustainable, engaged, and enterprising.
- ◆ The *Linking Learning Leveraging* project partnered with community-based organizations in Saskatchewan, Manitoba, and Northern Ontario to describe and measure the impact of the social economy.
- ◆ The undertaking has supported eighty-four individual projects in five priority research areas or themes.

### Summary

THE SOCIAL ECONOMY DESCRIBES a variety of socio-economic initiatives that address contemporary opportunities and needs, often in new ways. *Linking Learning Leveraging* (LLL) was a SSHRC-funded regional project whose objective was to describe and measure the impact of the social economy in Saskatchewan, Manitoba, and Northern Ontario, as well as to strengthen and expand existing capacity. The lead research unit was the Centre for the Study of Co-operatives (Saskatoon, SK), in collaboration with the Community-University Institute for Social Research (Saskatoon, SK), the Winnipeg Inner-City Research Alliance and later the Institute of Urban Studies (Winnipeg, MB) and the Community Economic and Social Development Program (Algoma University, Sault Ste. Marie, ON). The project involved more than twenty-five academics in ten disciplines from thirteen universities, and more than forty community partners from four provinces, as well as Colombia.

Governance for the project utilized a decentralized approach, with many of the activities and

resource allocation decisions administered by the collaborating organizations in each of the three provinces in the region. The operating definition of the social economy is broad and inclusive of women, Francophones, and Indigenous populations. More than eighty projects were completed within five research themes (clusters):

- social enterprise development
- financing strategies for social enterprise development
- governance of the social economy
- measuring and mapping the social economy
- developing policy frameworks for the social economy

Research results were shared via reports, media, and tool kits, as well as presentations at academic conferences and to community groups and governments. We are sharing experiences, knowledge, and skills gained from the projects, assessing their short- and long-term impacts, and considering policy implications. We are currently involved in the publication of research reports, further meta-analysis and synthesis, and preparation for a book. Examples of the social economy are brought to life in *Building Community: Creating Social and Economic Well-Being*, a curated exhibit that was produced to travel the nation during the International Year of Co-operatives. The exhibit was organized around four broad themes: inclusion, sustainability, engagement, and enterprise.

*Inclusive communities* recognize and confront prejudice, while celebrating differences and commonalities. They ensure that all citizens have the opportunity to take part in exploring and shaping the development of their community, as well as ensure respect, equality, and justice for everyone. In doing so, they grow increasingly strong, vibrant, and healthy. Strategies that build inclusive communities include services to support integration, the transfer of knowledge and values, labour force inclusion, and valuing traditional knowledge. Examples include ethno-cultural organizations in rural Manitoba that support the settlement of newcomers, and the Justice Trapline (Northern Saskatchewan Trappers Association Co-operative), which renews cultural identity.

*Sustainable communities* encompass not only environmental concerns, but also social, economic, and human issues. Sustainable communities are those where people are involved and treated fairly, the environment is taken care of, the arts are valued and supported, diversity is celebrated, the economy is strong and vibrant, and local knowledge and resources are valued and utilized. Community-supported agriculture helps to create healthy communities, and projects are helping rural communities adjust to drastic changes in the economy and the environment. The Harvest Moon Society is developing a marketing collective, which will increase farm profits and work towards the goal of sustainable food production. The Saskatchewan Co-operative Youth Program (SCYP) has been helping to prepare young people for leadership roles in their communities for more than eighty years. The Coalition of Algoma Passenger Trains is dedicated to preserving remote passenger service in Northern Ontario, and individuals representing twenty-one Anglophone, Francophone, and First Nations communities in the area have come together to make this happen.

*Engaged communities* provide cultural vitality, community expertise, and empowerment through education and civic engagement. Engagement is about connections and interactions, building relationships among people who work together for a common goal. It's about encouraging participation, acknowledging local expertise, and acting on it. Engagement is as much about the process as it

is the results. Garden River First Nation's re-Performance of Hiawatha is a reinterpretation of Henry Wadsworth Longfellow's *The Song of Hiawatha* from an Anishinaabeg perspective. Members from two First Nations in Northern Ontario created a production that honoured historic performances and engaged the entire community. The Community Research Hub (now FrontStep Research Co-op) in Winnipeg is an example of using an innovative approach to deliver meaningful knowledge. Challenging the notion of who is an "expert," FrontStep members research the communities they live in, talk to people they know, and examine their own circumstances to increase knowledge about low-income neighbourhoods.

*Enterprising communities* focus on community economic development, innovation in business development, and financing models for social enterprises. Community economic development uses community resources to launch and sustain economic growth. In northern Saskatchewan, members of the Ohpahow Wawesecikiwak Arts Marketing Co-operative combine traditional skills with co-operative marketing techniques to create and market art that preserves and promotes their culture while generating stable incomes. The formation of the Big River First Nation Co-operative has contributed to a revitalization of identity, language, culture, and spirituality. In Northern Ontario, an innovative program at the PARO Centre for Women's Enterprise provides entrepreneurs with skills training and access to capital needed to start and grow their businesses. And in Winnipeg, we found two good examples of how social enterprises differ from the traditional business model and often require alternate forms of financing in their start-up phases and also as they grow and develop. Inner City Renovation and the Tall Grass Prairie Bread Company both began and flourished with innovative funding solutions.

Sustainability is multifaceted and strong economies are diverse. Policy needs to recognize and support the need for a variety of approaches to economic and social development. Social economy enterprises are flexible and sustainable tools that allow communities to address objectives related to sustainable livelihoods, place-based redevelopment, capacities, and social supports.

## Exploring Forest Co-operatives

*Hayley Hessel, Associate Professor, Department of Bioresource Policy,  
Business and Economics, University of Saskatchewan*

### Key Point

- ◆ The emerging bio-economy provides new opportunities for Saskatchewan's vast timber resources and the advantages of a co-operative structure may prove beneficial.

### Summary

A COMPARISON BETWEEN SWEDEN AND SASKATCHEWAN yields an interesting contrast in case studies. Both are northern regions with hardwood and softwood resources, a cold, dark climate, and low population densities, although the degree of industrial production and district heating varies between the two regions. Sweden's forests are private resources that are publicly managed by municipal joint-stock companies. In Saskatchewan, conversely, timber resources are approximately 97 percent public and, arguably, under-utilized.

The financial crisis of 2008 meant an end to cheap energy access. Forest capacity declined and a number of mills in Saskatchewan closed between 2006 and 2008, including the pulp mill in Prince Albert, which was the largest employer in the area.

Co-operatives can provide new opportunities in the bio-economy sector by encouraging regional development, supporting local employment, yielding higher profits, and ensuring sustainable energy. They can be a value-added model for processing and marketing, giving new generations of co-operatives greater access to capital and technology. Further, co-operatives can encourage nonmember participation through share structure. Forming a forest/bio-energy co-operative would ensure small-operator control of the wood supply, community benefits, energy resources, economic development, and enhanced timber utilization.

Challenges to implementing the co-operative model include forest tenure, regulatory issues, and energy costs. If this approach were to be implemented in Saskatchewan, what should it look like?

## Building Capacity Together: The Power of Community Partnerships

*Chelsea Willness, Assistant Professor, Department of Human Resources and Organizational Behaviour, Edwards School of Business, University of Saskatchewan*

Presentation available at <http://www.edwards.usask.ca/faculty/Chelsea%20Willness/index.html>

### Key Points

- ◆ Community Service Learning projects can benefit both students and community partners.
- ◆ A rewarding partnership between the Village of Landis, SK, and the Edwards School of Business has benefited students through an increased understanding of organizational and community development, while the village has benefited from the development of recruitment strategies and sustainable project models.

### Summary

COMM 343 IS A SENIOR HUMAN RESOURCES COURSE in Recruitment, Selection, and Employee Engagement offered through the Edwards School of Business. Chelsea Willness, the professor for this course, partners student teams with community-based organizations (usually nonprofits) to engage in Community Service Learning (CSL) projects. Students work with their partner organizations through a needs-analysis process and ultimately develop customized recruitment strategies, selection tools, and other resources. This model of applied experiential projects facilitates learning in real time across the semester and is also designed to provide a tangible, useful service to the nonprofit partners.

The 2012 offering of this course had a new element of CSL, thanks to a new partnership with the community of Landis, and the school in particular. Landis is a village of approximately 120 people (a service centre for about 300 people) located 120 km west of Saskatoon. Major industries are agriculture and manufacturing/services for agriculture, which, for a village of its size, provide a remarkable level of service. In an effort to revitalize the village through employment and immigration, as well as keep the K-12 school open, Landis and the Sun West School Division worked to explore innovative programming. Sun West aims to test new education approaches to bolster rural enrolment and train teachers in inquiry-based learning techniques. Leadership 30, with its project-based focus, is one of these innovative programs, and led to the logical progression of collaboration with the Edwards School of Business.

Some of the students in Willness's COMM 343 course were paired with organizations in Landis, including the school itself. Students partnered with Landis School were tasked with addressing how to recruit students to the school and, ultimately, families to the community, which provided a unique and challenging perspective on organizational recruiting. The project comprised the "typical" elements of a CSL partnership between students and organizations, but layered with other dimensions. For instance, the Landis high school students assisted Edwards students with community contacts and information, and Willness worked closely throughout the semester with Douglas Drover, a teacher at the school, to look for opportunities to further connect the teams and partners. Importantly, the partnerships fit well with the expressed objectives of curriculum innovation in Landis.

The nature of a long-distance relationship proved to be somewhat challenging. The two in-person meetings typically required for the COMM 343 CSL projects were not feasible for the Landis partnerships because of the distance and travel time that would be required of the students (compared to, for example, student teams working with nonprofits within the City of Saskatoon). Professor Willness therefore co-ordinated a group field trip to Landis that allowed the Edwards students to meet in person with their partner organizations, as well as spend the day at Landis School. The high school students in the Leadership 30 class took responsibility for planning the day's activities, including a lunch for everyone involved, tours of the town and school, and meetings with the other organizations. The Edwards students were asked to speak to some of the younger children (e.g., grades 6 through 8), who asked them questions about leadership and what it's like to be a university student. Overall, the field trip was a great success, providing an amazing opportunity for both Edwards and Landis students to demonstrate their exceptional leadership skills, and for the Edwards students in particular to witness this remarkable community (and for many of them to reconnect with their rural roots).

In addition to a deeper understanding and active practice of the curriculum in the COMM 343 course, the Edwards students gained a better understanding of scale and perspective at both the organizational and community level, learned about multi-layered partnerships and mutual mentorship, and developed their leadership skills. There was a high degree of engagement between students and the community — it was clear that the Edwards students gave a lot of themselves, learned a great deal about rural sustainability, and invested personally in the future and well-being of Landis.

## Plenary III: The Challenges of Governance and Policy

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# Co-operatives and Innovation: Challenges of Governance and Policy

*Brett Fairburn, Fellow in Co-operative Thought and Ideas,  
Centre for the Study of Co-operatives, University of Saskatchewan*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

## Key Points

- ◆ Governance is about collaborative relations among stakeholder groups.
- ◆ Governance creates a context that can help or hinder innovation.
- ◆ Common interpretive frameworks, identity, and communication enable co-operative action.

## Summary

Governance is a multilevel concept that can apply within organizations (for example, relations between a board and managers) or more widely, to a sector of stakeholders (as in co-creation of policy). All aspects of governance involve two questions: *Who decides?* and *Who has a voice?* Effectively governance involves processes for relationships and collaboration among the stakeholders who are relevant to an organization or an undertaking.

Co-operatives, which by definition are organizations with different and usually more complex stakeholder relationships, illustrate a number of lessons about governance. For effective governance, the voice of key stakeholders (in a co-operative, the members) must be heard. *Linkages* with members lead to mutual success; *transparency* ensures trust and predictability; while *cognition* means collectively interpreting and appropriately responding to the environment.

Governance can create either a favourable or an unfavourable environment for innovation. Favourable and efficient factors include constructive interaction of diverse stakeholders within clearly understood processes; unfavourable factors include dead-locked stakeholders and unclear environments. Governance in voluntary organizations can be seen as part of a social-innovation process. In this view, novel organizations are created by invoking societal institutions (common norms and understandings), often in such a way as to include or combine otherwise marginalized groups.

These organizations, by virtue of their stakeholder relationships and accountability (governance), provide environments for social innovations, which, if they spread, can influence social institutions. In this way, governance and stakeholder relationships can, in the long run, change society.

A number of factors enable the development and spread of effective co-operative relationships among actors. Martin A. Nowak suggests that there are five ways in which co-operation can evolve in naturally occurring competitive systems: kin selection, direct reciprocity, indirect reciprocity, network reciprocity, and group selection. In a social-economic system, indirect reciprocity may be particularly important in motivating leaders to promote co-operative action. According to the research of Bouchard, Fairbairn, Fulton et al., access to information plays a strong role in co-operation. The imperfect information environment within which nearly every organization operates means striking a balance between risk and the cost of certainty. This often leads organizations to simplify choices by using interpretive systems to understand stakeholders and actors, create a common identity, and develop frameworks to enable action. How information is acquired and managed has an impact on governance structures and relationships, providing fodder for the life cycle of innovation and playing a key role in multistakeholder dynamics. Further research will examine these processes in action in co-operative organizations.

These reflections highlight the importance of collaborative interaction among stakeholders; the creation of a context for innovation; and the pivotal roles of ideas, interpretive frameworks, identity, and communication as cornerstones of effective governance.

## Water Security for the 21st Century: Policy and Governance Challenges

*Howard Wheater, Canada Excellence Research Chair, Global Institute for Water Security*

### Key Point

- ◆ Current demand and use of water is unsustainable. Significant change — including multisectoral partnerships — is needed to protect the water supply and water security.

### Summary

OF THE WORLD'S TOTAL WATER SUPPLY, 70-80 percent is used for irrigation. Other significant uses include hydro power and cooling for thermal stations, water supply and treatment, industry, and the environment. Globally, there are a host of water challenges — 900 million people lack access to clean drinking water and 1.4 – 2.1 billion live in water-stressed areas. Current uses are unsustainable and result in declining groundwater levels and dry rivers. There is increasing competition for water resources at local, regional, and international levels, and water quality continues to deteriorate. Demand will continue to increase due to population growth, economic development, agriculture, and energy use. As environmental change occurs, land use and land management changes and is further impacted by climate change. In fact, it is projected that six billion people will live in water-scarce areas by 2050.

Society has reached the limits of demand-driven water management. Issues of sustainability must be addressed, and this includes trans-boundary issues. Complex problems of uncertain water futures must be confronted and managed. The world needs a consistent societal agenda for water, food, and energy that addresses both climate change adaptation and mitigation. From a more local perspective, water security in the Prairies is of significant concern. Saskatchewan depends on the South Saskatchewan River, 75 percent of which comes from the Rockies. While less than 1 percent of the water in the river originates in Saskatchewan, 70 percent of the province's population uses this water. A sobering reality is that the river has reached its limits for use in southern Alberta, which means that the South Saskatchewan is a critically important resource for the Prairie Provinces and raises inter-provincial and inter-sector issues. Irrigation comprises 86 percent of water use from the South Saskatchewan River, but pollution is rapidly changing water quality. Climate change and land management are altering the land and its water in complex ways, affecting river flows and Prairie hydrology.

Water governance in the Prairie Provinces is complex and fragmented. Glacier retreat and volume loss has been widespread in western Canada — in fact, some glaciers have retreated up to two kilometres since the early 1950s. The total glacier-covered area declined by 5–15 percent between 1951 and 2001, though the relative loss of ice volume is likely greater. Winters are warmer by 3–4°C since the 1960s. The Prairie drought of 1999–2004 was the most expensive natural disaster in Canadian history, creating a \$5.8 billion decline in GDP in 2001–2002, and a \$3.6 billion drop in agricultural production during the same period. Forty-one thousand jobs were lost as a result. There were forest fires in British Columbia and Alberta, and dust storms in Saskatchewan.

Rocky Mountain water is essential for the Prairies' water supply, yet the climate is warming, river flows are falling, and water use is increasing. These anticipated, climate-related changes will dramatically reduce mountain-snow water supplies and the timing of river flows. The result is that climate warming is shifting snowfall to rainfall over much of the Prairies, an area already vulnerable to floods and droughts. Further, the frequency and intensity of extremes is expected to increase. Managing water resources under prolonged drought and managing flood risk remain major challenges.

What are the key points related to surface water quality? Nutrient loads arise from sewage effluents, fertilizers, and manures. There is increasing potential for toxic algal blooms in provincial lakes. In Lake Winnipeg, for example, algal blooms covered fifteen thousand square kilometres in 2007. Vulnerability to climate change leads to the probability of system failure. This is evident, for instance, in southern Alberta as a function of changing Rocky Mountain flows.

Agriculture is an important part of the water quality problem, but also potentially an important part of the solution through the application of beneficial management practices. This raises policy and governance challenges — it requires a new perspective on the role of agriculture as a provider of ecosystem goods and services. The Global Institute for Water Security at the National Hydrology Research Centre addresses such issues through the programme themes of climate change and water security, land-water management and environmental change, sustainable development of natural resources, and socio-hydrology. Socio-hydrology is the understanding and management of complex human-natural systems. Water security is a driving force of environmental change. Social science is critically important in understanding the societal, economic, institutional, and policy aspects of the issues, and in informing public policy. The Global Institute aims to create a new paradigm, connecting science and engineering with social science.

The problems society faces with respect to water security are complex and multifaceted. We need new science, technologies, and modelling tools to enable society to understand and manage change. Major challenges arise in developing consistent policy across sectors — water is inextricably linked to food, energy, and environmental values. We need new approaches to address risk under deep uncertainty, including adaptive approaches to policy and governance.

Concurrent Session C-1

Working Co-operatively: Employee Relations and Labour Force Development  
— *Attracting, training, and motivating co-operative managers and employees*

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## People Power: Workforce Planning

*Tim Archer, Executive Director, Saskatoon Community Clinic*

Presentation available at [http://prezi.com/n0jqklrlejhl/copy-of-workforce-planning/?auth\\_key=a02bfa8eeca41a68531b26e7523d22c0a44e7549](http://prezi.com/n0jqklrlejhl/copy-of-workforce-planning/?auth_key=a02bfa8eeca41a68531b26e7523d22c0a44e7549)

### Key Points

- ◆ A strong workforce is key to organizational strength and growth. It is important to know one's workforce in order to appropriately identify, recruit, train, and retain qualified staff.
- ◆ Working within a co-operative model helps ensure that there is a mutually beneficial and reciprocal relationship for both employer and employee, as well as within and across the broader community.

### Summary

THE COMMUNITY HEALTH SERVICES (SASKATOON) ASSOCIATION (CHSA) was founded in 1962 by pro-Medicare doctors and citizens, two days after doctors went on strike across Saskatchewan in protest of the Medical Care Insurance Act, which took effect that year. CHSA is a member-owned co-operative that operates the Saskatoon Community Clinic (SCC), which is one of four similar community clinics in Saskatchewan. These community clinics are united under the Community Health Co-operative Federation, a sponsor of the Co-operating to Build a Better West Conference. SCC's mission is excellence in co-operative primary health care; it provides services in three locations on two sites. The downtown clinic is located in buildings on 2nd and 1st Avenues and the Westside Clinic is on 20th Street West. SCC also provides primary health services in the Town of Delisle.

As with any successful organization, it is critical to understand staff structure and the workforce in order to recruit and retain skilled workers, further develop the workforce, and maintain staff engagement. Different staff categories have different needs. An in-depth analysis of the workforce can be approached in several different ways, and it should be noted that the summary provided here focusses on demographic and communication analysis.

Direct-service provision makes up 79 percent of SCC's workforce and includes physicians, nurses

and nurse practitioners, physiotherapists, occupational therapists, dietitians, laboratory and x-ray staff, clinical office assistants, outreach workers, and receptionists. Support personnel make up the remaining 21 percent and include administration, maintenance, IT services, receptionists, transcriptionists, and health records personnel.

With approximately 150 employees, SCC has a wide range of employee divergence in terms of years of service with the organization. Approximately 30–35 percent of staff have been at SCC for fewer than five years, while approximately 20 percent have been with the organization for at least twenty years. This is common among organizations but can illustrate and uncover interesting dynamics. The age distribution of staff can provide another means for assessing the workforce. SCC's analysis looked at age among physicians and staff providing in-scope and out-of-scope services; other types of analysis may choose to further examine department or classification demographics.

Staff recruitment at SCC is based on the seven co-operative principles and is a strong draw for employees, as is the relatively small staff size. Within primary care, most physicians are on a fee-for-service payment model. SCC has always followed a salary-based model and, while many prefer the autonomy that this mechanism provides, it can compete with other principles of a balanced work life. Increasingly, there is a shift towards alternate funding models for primary care physicians and other health care practitioners. Interdisciplinary teamwork is important in health care, particularly as services become more specialized. The opportunities afforded through teaching and research attract skilled and qualified candidates. Additionally, SCC is community based, with staff from the community working for the health and well-being of the community. This grassroots approach allows SCC to serve those most in need of health care services. The Westside Clinic serves the city's core neighbourhoods, providing health care to some of the city's most vulnerable and under-served people. Partnerships, among both co-operatives and other human service organizations, are critical for effective client support. Partnerships are living entities that require ongoing nurturing among professionals at all levels of health care organizations.

Employment equity is more than treating people the same — it requires certain measures and accommodation of differences. SCC has engaged in proactive employment practices to increase the representation of three of the four designated groups: women, people with disabilities, Aboriginal peoples, and visible minorities. Women currently make up 87 percent of the workforce at SCC, greatly exceeding the target. By 2011, the percentage of staff from visible minorities was over 8 percent, slightly exceeding the target. And SCC is close to reaching its target of staff with declared disabilities. Aboriginal representation has increased and SCC is currently meeting the target. This is especially important at the Westside Clinic, where a large proportion of clients are of First Nations descent. In order to be accepted and trusted in Saskatoon's core neighbourhoods, it is critical to reflect the population served. To support this goal, the SCC has five designated positions at the Westside Clinic that are preferentially posted and filled by Aboriginal candidates. Achieving this goal required buy-in and agreement between union and management, both to designate positions and to limit seniority regarding these designated positions. This was, and continues to be, a partnership agreement.

SCC believes that the community is best served when there is a strong support network for employees to be successful both at home and at work. Pragmatically, it is expensive to hire and train staff, so retention is key. It is particularly challenging to attract qualified professionals within a

booming economy such as that in Saskatchewan. SCC offers family-friendly workplaces, part-time opportunities, job sharing, flexible work hours, leave opportunities, deferred salary programs, and employee assistance programs. In addition to in-house training programs, SCC provides incentives to encourage self-education, such as CPR, WHMIS (Workplace Hazardous Materials Information System), and a computer purchase program. Commitment to staff development, such as increasing specialization, can be problematic for smaller organizations such as SCC, but recognizing the value of such efforts helps ensure that they are sustained. Beyond offering competitive employment opportunities to attract new staff, the key to retaining staff centres on strong communication. This can run the gamut from small group meetings, town halls, or Twitter, to lunch 'n' learn sessions, emails, and newsletters.

A significant challenge continues to be succession planning — the workforce is aging, increasing the need to hire, train, and retain skilled new employees. There is a generational gap across the workforce and the influence of technology is evident. Further, the benefits of emphasizing employee well-being are apparent in recruiting exceptional candidates. The payoff to members and clients is swift — service is more client-centered and supports better health outcomes. When staff are healthy, the whole community is healthier.

## Continue Building Diversity and Inclusion

*Sharon McMahon, Vice-President Human Resources, Assiniboine Credit Union*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ◆ Assiniboine Credit Union has a long history of commitment to diversity and inclusion and has made progress on many fronts.

### Summary

ASSINIBOINE CREDIT UNION (ACU) is a financial co-operative with 110,000 members. With 590 employees in twenty-five branches, ACU is the eighth largest credit union in Canada and holds \$3.1 billion in assets. There are twenty-three branches in Winnipeg and one branch each in Gillam and Thompson (Manitoba). ACU's mission statement is "As a socially responsible co-operative, we provide financial services for the betterment of our members, employees and communities." ACU's vision is a world where financial services in local communities contribute to a sustainable future for all. Diversity and Inclusion (D&I) is one area of focus that helps to realize this vision. ACU has a long history of commitment to diversity and inclusion, long before employment equity was a requirement. The process began in 1995, when a joint board and management committee developed ACU's first Employment Equity Plan, with a focus on four under-represented groups: persons of colour, persons with disabilities, Aboriginal people, and women in management. An Aboriginal Strategy followed in 2000, and although that indicated considerable progress, there remained the definition of diversity and inclusion, the articulation of a vision for it, and the development of performance indicators.

Over half the Canadian workforce is over the age of forty-five, and according to the Chamber of Commerce in 2009, immigration accounted for more than 70 percent of net growth in the labour force. According to Citizenship and Immigration Canada, the Annual Report to Parliament on Immigration in 2011 indicated that immigration is projected to account for all net labour force growth in Canada within the next decade. Many benefits flow to an organization that considers diversity and inclusion a part of doing business: it becomes a desirable place of employment, a comfortable workplace with a better understanding of the issues and concerns of members, which is effective in attracting and retaining employees. It also provides an inclusive working environment and supportive leadership, where employees with varied backgrounds can become more comfortable

in the workplace. A diverse group of employees can enable a workplace to come up with a variety of unique ideas and approaches to an issue. This depth of understanding leads to greater member insight and a unique competitive advantage.

ACU is committed to providing all employees with a work environment that is welcoming, respectful, and engaging. The focus is to integrate diversity and inclusion more fully throughout the organization. A challenge, however, is the absence of a clear, commonly accepted definition for it. ACU recognizes that success as a financial co-operative results from the unique talents, skills, and experience that each employee brings. The goal, therefore, is to attract, retain, and leverage the talents of a diverse workforce, the measure of which is a workforce comprised of representatives from specific diversity groups. ACU strives to be an employer of choice for all, and this goal is assessed internally through employee surveys and externally through the Top 100 Employers in Canada.

To continue building on success, ACU actively recruits from under-represented groups, surveys employees to obtain diversity perspectives, and is visible in the communities where members of the diversity groups live and work. The organization also strives to build partnerships/relationships with others wishing to make a positive difference in the lives of members of diverse groups; provides grants and sponsorships; and works to increase its understanding of the challenges and needs of diversity groups. Some specific ways in which these goals are achieved include the Employee Referral Program, the Urban Circle, Reaching E-Quality Employment Services, Immigrant Integration Programs, the Ability Axis Employment Expo, and activities through universities.

ACU has developed four strategies to guide diversity and inclusion goals. The first is to build a leadership team that embraces and practises the organization's diversity values, which supports the strategy to Build Leadership Excellence. The second is to attract, develop, and retain a diverse workforce that is represented throughout ACU. One main focus is attraction, and this continues with respect to Aboriginal people and people with disabilities. ACU plans to broaden this strategy to have representation throughout the organization and to ensure satisfactory retention rates, supporting the corporate strategy to Attract, Develop and Retain a Highly Skilled and Engaged Workforce. The third strategy is to create an inclusive culture that understands and respects the individual differences of our employees, which supports the corporate strategy to Foster a Positive Work Environment. The final strategy is to leverage differences for innovation, collaboration, and member success.

Looking forward, the roadmap for 2012 includes a diversity and inclusion steering committee to lead, champion, and support strategies to help realize the D&I vision; a gap analysis of recruitment, advancement, and retention policies, processes, and procedures; a partnership review; leadership development; and workforce census. The roadmap is based on D&I strategies that will build upon each other over the next four years. Committee members include the CEO, executive team members, and managers from operations and human resources. ACU is working with D&I specialists to assist with the gap analysis, to facilitate an understanding of strengths, gaps, and best practice in order to close identified gaps. Recommendations will be reviewed by the D&I steering committee and will contribute to the roadmap for 2013.

ACU has a multitude of partnerships, such as that with the Immigrant Integration Program. The focus on Aboriginal people and on persons with disabilities provides an opportunity to review existing partnerships and identify new partners, while ensuring efficient use of existing resources. The D&I roadmap for 2012 created career paths for individuals interested in developing their skills and

seeking opportunities. This will assist all employees in understanding what is required for their position and help individuals understand the skills needed to compete for promotional opportunities. Accurate information about the workforce, gathered through the Workforce Census, is needed to measure progress and provide effective diversity and inclusion programs.

## Working Co-operatively with Unions and Egalitarian HR Systems: A Source of Competitive Advantage for Co-operatives?

*Dionne Pohler, Assistant Professor, Human Resources and Organizational Behaviour,  
Edwards School of Business, University of Saskatchewan*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Unions can be a source of competitive advantage where management can create a co-operative relationship with the union. Where management has adopted this strategy, unionized organizations have better outcomes across a wide range of measures than non-unionized organizations.
- ◆ Co-operatives can have a source of competitive advantage in attraction, retention, and motivation of employees due to the often more egalitarian structure of their HR systems.

### Summary

ONE CAN ASSESS THE ROLES, BENEFITS, AND CHALLENGES associated with workers' unions in different ways. From a negative point of view, unions are criticized for

- increasing wage and benefit costs while lowering profitability
- introducing restrictions on management practices, reducing management's ability to get rid of "dead wood"
- creating inefficiencies
- distorting the labour market
- engaging in strike activities
- lowering employment
- contributing to inflation
- reducing wealth in society

Viewed positively, unions are praised for

- ensuring a more equitable distribution of income within society
- protecting worker rights
- democratizing the workplace

- having a positive effect on productivity by increasing employee satisfaction
- creating greater information flow in organizations between management and employees
- creating economies of scale in contract negotiations and “shock” management into reducing other inefficiencies

The empirical research is conflicting as to which perspective is more accurate. The concept of labour-management co-operation has only recently begun to be examined as a factor that would determine the impact of unions. Unions are largely reactive institutions, and management makes choices that greatly alter the workplace climate through making strategic business decisions and implementing particular workplace practices. Co-operative management responses towards the union will reduce the negative effects of unions and enhance their positive effects. Management responses toward their employees — positive or negative — are, in general, more pronounced in unionized than in non-unionized organizations.

Data from the Workplace and Employment Survey (Statistics Canada) was used to assess a nationally representative sample of employees and organizations in Canada. An employee study (2001–2002; 2003–2004) looked at levels of satisfaction, conflict, paid sick days, and unpaid overtime. An organization study (2001–2006) further assessed conflict, climate, turnover, dispute resolution, employment growth, and profitability.

Results show that a competitive advantage can be derived from situations in which management creates a co-operative relationship with the union. In these circumstances, employees are happier and the organization is more profitable and experiences less conflict than in non-unionized organizations. However, where management cannot create this type of relationship, or adopts a different strategy, unionized organizations have far worse outcomes than their non-unionized counterparts.

Unions share some values with co-operatives — democracy and equality, solidarity, education, training, and information. There can also be an interesting tension between co-operatives and unions in situations where unionized co-operative workers are often members as well, which creates two sources of power. It could be hypothesized that the move in co-operatives towards models more closely aligned with the private sector may have prompted increasing unionization. Unions create challenges that include balancing interests among important stakeholders and also aligning the interests of the union and the co-operative, where possible, so that employees don't feel they have to choose between the values of the union and those of the co-operative.

With regard to egalitarian systems, data collected through surveys this past year in the tourism industry found that the extent of differentiation in HR policies and practices among occupation groups that varied in the extent to which they were strategically valuable to an organization was supported as a best practice. However, greater variance in HR practices among occupation groups in organizations resulted in lower employee perceptions of organizational support. This negative effect is less for employees on the high receiving end, as would be expected. Overall, it was found that such HR variations led to lower overall organizational performance.

Ultimately, not all employees need to be paid the same nor treated completely equally. However, caution is necessary if creating huge disparities among employees in different occupation groups. Employees may perceive this to be fair, but it still undermines their perceptions of support, with negative implications for individual and organizational performance.

Concurrent Session C-2  
Mobilizing Co-operative Capacity for Sustainability  
— *Generating and sharing knowledge for co-operative and environmental sustainability*

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## Mobilizing Community and University Capacity: Saskatoon CarShare Co-operative

*Marcia McKenzie, Director, Sustainability Education Research Institute,  
College of Education, University of Saskatchewan*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Saskatoon is one of the few cities in Canada without a car-share program.
- ◆ Community engagement and sustainability is the key to establishing such initiatives.

### Summary

THE DEFINITION AND FRAMEWORK OF SUSTAINABILITY put forward by the University of Saskatchewan (U of S) *is the stewardship of the natural environment in a socially and economically responsible manner that meets the needs of both the present and future generations* (U of S 2012). The presenter's sustainability related work at the university falls within the overlapping categories of community outreach, education, and research. Her work involves furthering sustainability through collaboration between the U of S and surrounding communities. Such initiatives, locally, include changes in emissions of greenhouse gases or other material outputs as well as opportunities for increased awareness and broader knowledge mobilization across communities and the university. Discussions with Ellen Quigley, a community organizer and one of the founders of the youth environmental group We Are Many (WAM), identified two areas of collaboration for community sustainability projects in Saskatoon. The first was the Sustainability Neighbourhood Demonstration Corridor, a proposed sustainability energy co-operative using high visibility to enable education and awareness in addition to immediate greenhouse gas emission reductions. The second initiative, the Saskatoon CarShare Co-operative (SCC), is the focus of this presentation, which provides an overview of the process of developing the co-operative as well as associated challenges and successes from the perspective of a community-university collaboration.

In the summer of 2011, a university/WAM-funded undergraduate student researcher developed

the CarShare Research Report, which supported the solicitation of individuals to form an advisory committee; a ten-person committee was formed in the fall of 2011. Members were a mix of people affiliated with the U of S, the City of Saskatoon, local nonprofits, and the Saskatchewan Co-operative Association. During the winter of 2011, the Centre for the Study of Co-operatives funded a graduate student researcher to develop a proposal with which to approach funders. A great deal of activity took place from this point until the summer of 2012:

- regular monthly, often weekly, meetings
- the administration of an online survey
- a feasibility study regarding pricing and location decisions
- the development of the terms of reference for board members
- the development of the Saskatoon CarShare Co-operative by-laws
- the creation of a Facebook site
- the submission of incorporation documents
- the pursuit of seed funding and partnerships

The co-operative was officially incorporated in July 2012. Following incorporation, the group created a board of directors, again with an even split between university-linked individuals and representation from other organizations. By the fall of 2012, the board of directors had become official SCC members, the co-operative had opened a bank account, and the board had acquired insurance, developed a communications plan, and hired a business plan development consultant. Ongoing is the pursuit of seed funding and sponsorships.

It is projected that in early 2013 the SCC will hire a co-ordinator, purchase vehicles, and establish a swipe-card system. At this point, it is anticipated that the SCC will begin to accept memberships from the public, hold information meetings, and be operational with at least three cars and two locations.

In order to mobilize university capacity, the SCC has partnered with the Spatial Initiative (College of Arts and Science), the Centre for the Study of Co-operatives, the Sustainability Education Research Institute (College of Education), and the School of Environment and Sustainability. The SCC can benefit the U of S in a number of ways. Financially, such a program could reduce the need for new parking lots and road repairs, translating into savings for students, staff, and faculty. The presence of the SCC will reduce greenhouse gas emissions and contribute to the university's emission reduction commitments. Community engagement on shared City of Saskatoon goals and positive publicity can be linked to leadership in sustainability initiatives within the city. The SCC turns the campus into a living lab for sustainability research, teaching, and demonstration. Ultimately, sustainability is a net positive for the university and the City of Saskatoon.

There have been some challenges, such as the demands of volunteer time, the difficulty of securing seed funding, and the development of partnerships. However, the successes of the Saskatoon CarShare Co-operative are many. In addition to official incorporation in July 2012, the co-operative has had great media coverage and an initial Facebook launch with close to two hundred "likes." More than two hundred people responded to the feasibility survey and steady progress continues towards an operational SCC in 2013.

## A Business Case for Sustainability: Mountain Equipment Co-op

*Brad Clute, Regional Sustainability and Community Involvement Co-ordinator,  
Mountain Equipment Co-op*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Mountain Equipment Co-op puts forward an ethical business model that is relevant not only for co-operatives but for successful businesses in general.
- ◆ Greening of operations, product integrity, and community involvement are the keys to staying competitive in the marketplace.

### Summary

MOUNTAIN EQUIPMENT CO-OP (MEC) is Canada's leading supplier of quality outdoor gear and clothing, with a focus on active, outdoor lifestyles. There are more than 3.5 million members (approximately one in ten Canadians), and sales in 2011 were \$270 million. MEC has more than one thousand employees and a reputation for social and environmental leadership. There is a focus on fair wages and benefits for staff, rather than on profit. Innovation in the domain of social and environmental responsibility is evident through the *greening* of operations, *product integrity*, and *community involvement*.

*Greening* operations means implementing environmentally sustainable approaches such as wind power, waste reduction and diversion, reducing transportation emissions, and maximizing MEC Green Building Systems. *Product integrity* encompasses ethical sourcing and ensuring the sustainability of products. Ethical sourcing is achieved through mechanisms such as Supplier Codes of Conduct and nongovernmental organization verification (Fair Labour Association). MEC uses its own preliminary audits and independent third party audits, and also employs an ethical sourcing director. The organization is looking to develop tags that are linked to the factory website so that consumers can make informed decisions about their purchases. Sustainability is encouraged through the use of organic cotton, recycled materials, undyed fabrics, and PVC-free products.

MEC fosters *community involvement* through programs such as 1% for the Planet, as well as through regional and national grant programs. The company builds and furthers national and

regional partnerships and engages in outreach and advocacy initiatives. It also make donations and is involved with The Big Wild, a conservation movement for wilderness protection campaigns. MEC faces a variety of challenges, including the delicate balance between trade liberalization and ethical sourcing. This requires a degree of comfort with complexity and not losing sight of the company's goals in the "green" trend.

Despite these challenges, the benefits of ethical business are many, encompassing trust and continuity. Trust means developing a business model with a clear conscience, increased employee morale and loyalty and, of course, partnerships. The value of continuity is evident in light of resource scarcity, carbon costs, effects on supply chains, risk management, and financial savings. Looking ahead, MEC will continue to work with stakeholders, leverage existing partnerships and build new ones, maintain transparency, advocate fearlessly, continue asking questions, and "Stick to our *co-opness*." Beyond the business benefits that result, MEC views these endeavours as a moral imperative. Operating without a sustainability program is bad business — it is clear that consumers expect it and are starting to demand it.

## Co-operative Housing Federation of British Columbia: Creating the Sustainable Future of Housing Co-operatives

*Fiona Jackson, Communications Director,  
Co-operative Housing Federation of British Columbia*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/Fiona-Jackson-BBW-pdf.pdf>

### Key Point

- ◆ The Co-operative Housing Federation of British Columbia is dedicated to reducing its impact on the environment.

### Summary

THE CO-OPERATIVE HOUSING FEDERATION OF BRITISH COLUMBIA (CHF BC) is a co-operative association made up of member housing co-operatives and related organizations in British Columbia. CHF BC and its affiliates include 237 housing co-operatives, 12,634 co-operative homes, two offices, and close to ninety employees. At the federation's annual general meeting in 2007, delegates passed a resolution that directed the board to develop a strategy to reduce the impact of CHF BC's operations on the environment. Of CHF BC's 54.65-ton carbon footprint in 2007, 45 percent went towards transportation, 25 percent to heat, 7 percent to electricity, and 23 percent to miscellaneous. In 2008, greenhouse gas emissions had fallen slightly to 52.05 tons, and by 2010 were reduced significantly to 36.64 tons (56 percent toward transportation, 21 percent to heat, 2 percent to electricity, and 20 percent to miscellaneous). Examples of housing co-operative members reducing their carbon footprint include the use of Modo, a local car-share co-operative, installation of electric car-charging units, cycling instead of driving, and a strong emphasis on recycling and using recycled products. CHF BC is also involved with Climatesmart, an organization that helps groups measure and reduce their carbon footprint while cutting costs, and well as Offsetters, another provider of carbon-management solutions, which assists organizations and individuals to understand, reduce, and offset their climate impact. Looking forward, one of the five standards of a 2020 co-operative is environmental sustainability; co-ops are keen to make a difference and build a better world.

Concurrent Session C-3  
New Co-operatives and Co-operative Development  
— *Innovations in co-operative organization and development*

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## The Story of Lake Lenore Grocery and Greenhouse Co-operative

*Beryl Bauer, President, Lake Lenore Grocery and Greenhouse Co-operative;  
President, Saskatchewan Co-operative Association*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ♦ The Lake Lenore Grocery and Greenhouse Co-operative is an innovative community success story. The co-op was conceived, developed, and grew entirely on the basis of community support and ingenuity.

### Summary

LAKE LENORE, SASKATCHEWAN, located thirty-two kilometres north of Humboldt, is a community of approximately three hundred people, representing about one hundred households. In the fall of 1996, Lake Lenore's only grocery store, the privately owned Shop Rite, closed. Following a community meeting and some business negotiations, an agreement was reached with a community group to buy the store. The community quickly incorporated a new co-operative and the Lake Lenore Grocery Store was born. The community needed \$200,000 to purchase the store, do upgrades, and replenish stock. Led by the presenter, ten volunteers solicited door-to-door donations in Lake Lenore and the surrounding district. They raised \$78,000 and only one donor was ever repaid, an individual who moved out of town within months of the store's opening.

The fundraising efforts for Lake Lenore's grocery store saw a number of additional successes: \$20,000 borrowed by the village was later forgiven; the Lions Club donated \$15,000 for store upgrades; the Auditorium Co-operative donated \$8,000 that was available through its surplus fund; and the Agro Co-operative financed the initial stock for shelves. Community volunteers cleaned, renovated, and repainted the store. Organizers sold 175 co-operative memberships within the first few weeks, and the store opened on 15 March 1997. At the time, the store supplied primarily groceries and generated \$1 million in sales its first year. When it was acknowledged that the grocery margin

was too small, the presenter, who was the board president, pitched the idea of a greenhouse to several local women. In 2002, the community erected a twenty-four hundred square foot greenhouse. They rented out the newly constructed office spaces attached to the greenhouse; tenants included Conexus Insurance and the Saskatchewan Association of Rural Water Pipelines Inc.

By 2005, the greenhouse was a successful enterprise and had grown to supply six outlets, both co-operative and non-co-operative businesses. Greenhouse sales hit over \$125,000 and have been fairly steady since. Later, the community added a lottery and a Saskatchewan liquor franchise as well as convenience items when the Variety Store across the street closed. Today, the grocery and greenhouse operation employs twenty people during peak season. There has been community support throughout and financial support from the Agro Co-operative when needed. Fourteen years later, the store boasts 350 members and is still a thriving success.

## Multicultural Health Brokers Co-operative

*Yvonne Chiu, Executive Director, Multicultural Health Brokers Co-operative*

Presentation available at <http://usaskstudies.coop/wp-content/uploads/Multicultural-Health-Brokers-Co-op-Yvonne-Chiu.pdf>

### Key Points

- ◆ The Multicultural Health Brokers Co-operative is a worker co-operative with a mandate to support immigrants and refugees and their families in attaining optimum health.
- ◆ The co-operative was established to address the social, economic, and political inequities that negatively impact the health and well-being of immigrants and refugees.

### Summary

THE MULTICULTURAL HEALTH BROKERS CO-OPERATIVE (MCHB Co-op) is located in Edmonton, AB, and was created in 1995 by twelve immigrant women who became involved in a culturally responsive perinatal health outreach and community development program for immigrant communities. This was part of a Public Health Department pilot project, with a three-year national demonstration project funded by Health Canada. The MCHB Co-op is a worker co-operative established to address the social, economic, and political inequities that negatively impact the health and well-being of immigrants and refugees; it was formally registered with the Alberta Government under the Co-operative Act on 30 November 1998. It includes relevant health education, holistic family support, community development, and system advocacy.

The organization

- provides culturally and linguistically relevant information and support that enhances family health and well-being
- bridges and mediates between immigrant/refugee families and the mainstream system
- builds community capacities for health and well-being
- affects incremental change within systems towards equity and cultural responsiveness

The primary recipients of the MCHB Co-op's services and support are immigrant and refugee families from twenty local communities (Afghan, Arabic-speaking, Bhutanese, Chinese, Ethiopian, Eritrean, Filipino, Former Yugoslavian, French-speaking African, Kurdish, Karen, Korean, Iraqi, Iranian, South Asian, Somali, Sudanese, Spanish, Turkish, and Vietnamese).

The members of the MCHB Co-op are immigrant and refugee workers who are also members of the communities they serve. They are front-line service deliverers and community developers as well as joint owners and operators of the co-op. Many of the members of the co-op are highly educated and skilled professionals whose credentials are not recognized in Canada, and/or trusted natural leaders with extensive networks and skills in community development within their respective communities. Successes include that fact that the MCHB Co-op:

- currently provides employment for fifty-four workers/brokers
- has an annual budget that grew from \$200,000 to \$2 million
- has collaborative relationships and contracts with four essential sectors (health, children's services, education, and employment)
- connects with and serves fifteen hundred families each year, involving roughly seven thousand individuals (children, youth, parents, and grandparents)
- formally established the Multicultural Health Brokering practice (to address social/economic inequity and build capacity in immigrant/refugee communities) that has been replicated in three other Canadian cities
- has received numerous awards of excellence from multiple sectors: social work, health promotion, community economic development, and children's services

It is inspiring to note the dedication and commitment of the co-op members/workers towards social change, their caring devotion towards the immigrant and refugee families they serve, and their capacities to dream and pursue such dreams in spheres of affecting systemic changes and community activism. The formal systems still do not recognize the unique needs and strengths of immigrants and refugee families and communities. In the absence of relevant public and institutional policies and a funding formula to address the social and economic inequities of immigrant/refugee populations, the MCHB Co-op struggles with shouldering the care of a multitude of families without resource/funding support.

The vision over the next five years is to support immigrant and refugee families/communities in uncovering their unique cultural/social capital and strength, and engaging them in creating community solutions and in affecting change within systems through direct dialogue and collaborative action.

## Co-op Development in First Nation and Neighbouring Communities

*Marie Prebushewski, Executive Director and Project Manager,  
Thickwood Hills Business Learning Network*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Point

- ◆ Grassroots entrepreneurship provides unique opportunities for skills building and community development.

### Summary

This presentation provided an overview of two particular co-operatives — one in Big River First Nation, the other in Flying Dust First Nation — and some of the challenges associated with worker and marketing co-operatives. Common challenges were related to time, financial support, training, and governance issues. The presentation also discussed dealing with the departure of a co-operative developer and addressing appropriate infrastructure for the co-operative business and the interests of established co-ops.

Big River First Nation is located 120 kilometres northwest of Prince Albert, SK, near the towns of Debden, Big River, and Spiritwood. Big River First Nation has a membership population of 3,202, with 2,223 of its members currently living on-reserve. The grand opening of the Sgt. Darby Morin Centre took place on 20 September 2012. With the motto *Excellence in Education and Business Development*, the sixty-five-hundred-square-foot building provides space for skill development, job training, and counselling for job opportunities under the direction of the Big River Labour Force Development program. The space also provides postsecondary opportunities such as the Indian Teacher Education Program (ITEP) B.Ed. Program, the ITEP M.Ed program, and Native Access Program to Nursing, which are two-year, pre-health-science classes. A fully operational computer lab provides opportunities for e-learning, job searches, and research, and supports the development of a number of businesses, including a restaurant and catering business, laundry service, and sewing centre. Meeting facilities are available, as is a commercial cooking course. There is also a display area for handicrafts and art contributed by community artisans. The centre currently employs seven people full time and plans to expand this to ten by January 2013.

Flying Dust Cree 8 Workers' Co-op Ltd. was incorporated in 2011, having operated as the

Riverside Market Garden since 2009. Six members of the co-operative have successfully completed Level 1 (Crop Production Technician) and Level 2 (Crop Production Supervision) through the Green Certificate Farm Training Program developed by Saskatchewan's Ministry of Agriculture. All new members of the co-op are required to complete, at the minimum, Level 1. The co-operative has successfully grown the business from 2 to 14.5 acres and intends to continue to expand to a 60-acre operation. It employs eight to fifteen people seasonally to work in the market garden.

## Co-operatives in Saskatchewan 2012: A Survey of Public Perceptions and Expectations

*Michael Gertler and Lou Hammond Ketilson, Centre for the Study of Co-operatives,  
University of Saskatchewan*

Presentation available at [http://usaskstudies.coop/?page\\_id=2914](http://usaskstudies.coop/?page_id=2914)

### Key Points

- ◆ Co-operatives generally enjoy a positive reputation among Saskatchewan residents, including nonmembers.
- ◆ Co-operatives are widely viewed as having positive impacts on economic and social development.
- ◆ There is broad public support for co-operatives and co-operative development, and for government support of the co-operative enterprise alternative.
- ◆ People expect co-ops to perform at high levels in multiple facets of their operations, and there is broad support for co-operative leadership on environmental sustainability.
- ◆ Some people feel poorly informed about co-operatives and would like more information.

### Summary

THE CENTRE FOR THE STUDY OF CO-OPERATIVES initiated a survey of public perceptions and expectations of co-operatives as a project for the International Year of Co-operatives 2012. The survey was conducted with the assistance of the Social Sciences Research Labs at the University of Saskatchewan. The goal was to learn more about peoples' familiarity with and membership in co-operatives, their perceptions and expectations of co-ops, and what activities and initiatives might be attractive to existing and potential co-operative members. We also sought to gauge their views on co-operatives as economic development instruments and on whether co-ops should be supported by governments. The survey was designed to learn about the opinions and preferences of co-op members and nonmembers, women and men, Aboriginal and non-Aboriginal persons, rural and urban residents, older and younger people, newcomers, higher- and lower-income groups, and those of the self-employed, employed, and retired. Researchers hired twenty-three university students to administer the brief telephone survey that was carried out 9–27 August 2012. They completed interviews with thirteen hundred randomly selected Saskatchewan residents over the age of eighteen. Results of the survey, which generated a response rate of 27.3%, should be generalizable to the Saskatchewan

population (eighteen years of age and older) +/-2.72% at the 95% confidence interval (nineteen times out of twenty). It should be noted that co-operative members may be somewhat overrepresented among those who agreed to complete the survey, though it is impossible to say to what degree.

Most respondents said that they were familiar with retail co-operatives (94.7%) and financial co-ops such as credit unions (93.2%). At the other end of the scale, respondents were least familiar with communication co-ops (13.8%) and funeral co-operatives (8.4%). About three-quarters of the respondents reported being members of at least one co-operative (74.6%) and, among those who claimed a co-operative membership, the majority were members of two or more co-ops. As would be expected, at the household level, reported co-operative membership was higher, with 82.4% of respondents claiming that someone in their household was a co-op member.

The leading reasons claimed for co-operative membership were convenience or location (36.6%), money back on purchases (30.5%), that it was a locally owned and controlled enterprise (14.2%), and other (30.9%). This category included three subcategories: family members belonging to a co-operative and family history of involvement; the respondent, a family member, and/or a friend being a current or past co-operative employee; and/or belief in co-operative principles and philosophy. A majority of respondents said that co-operatives were very (46.2%) or somewhat important (43.4%) to the Saskatchewan economy. The main benefits cited were giving money back on purchases (22.3%), local ownership and control (20.9%), giving back to the community (20.2%), and giving people a say in how an enterprise was operated (12.1%). Other important findings included:

- 91.5% of respondents either strongly or somewhat agreed that co-operatives, including credit unions, are useful in promoting sustainable local economic development
- 88.2% felt it was very or somewhat important that a co-operative or a credit union is locally owned
- 47.8% said that they strongly agree and 44.4% that they somewhat agree that co-operatives offer high quality customer service
- 67.5% strongly agreed that co-operatives are an important part of the communities in which they operate, and an additional 28.1% indicated that they somewhat agreed with this statement
- 44.2% strongly agreed that “co-operatives are responsive to the needs of the local community,” and an additional 44.7% somewhat agreed with this statement
- 59.4% strongly agreed that co-operatives are reliable places to do business, and 63.5% strongly agreed that co-operatives have a positive reputation in Saskatchewan
- 68.9% strongly agreed and 25.7% somewhat agreed that co-ops keep money in the local economy, for example, by providing local employment, buying locally, and sharing any surplus that they generate with their members
- 58.0% strongly agreed and 34.6% somewhat agreed that co-operatives reinvest in local communities, for example, by building new infrastructure, providing training for employees, and making charitable contributions
- 28.6% strongly agreed and 45.4% somewhat agreed that mergers of co-ops and credit unions have had generally positive impacts on the local communities involved
- 23.6% of respondents strongly agreed and 45.7% somewhat agreed that the impacts of mergers of co-ops and credit unions were generally positive for the members involved

- 80.9% felt that co-operatives generally have competitive prices for products and services
- 93.6% felt that it was very or somewhat important that co-operatives provide employment opportunities for women; 91% felt that it was important that women are well represented in co-op management and board positions
- 85.7% felt that it was very or somewhat important that co-operatives provide employment opportunities for under-represented groups such as new immigrants, Aboriginal persons, visible minorities, or persons with disabilities. As for people in these groups being well represented in co-op management and board positions, 77.9% saw this as either very or somewhat important
- 93.6% indicated that it is very or somewhat important that co-operatives give their members a say about how they operate or do business
- 83.5% said that co-operatives should take a leadership role in promoting financial literacy; 84.2% said they should be leaders in promoting ethical sourcing and fair trade; 87.6% said they should be leaders in promoting and supporting healthy lifestyles; and 75% said they should take a leadership role on environmental issues
- 62.9% said that the role of co-operatives in Saskatchewan should be expanded, while 23.4% said their role should not be expanded
- in comparison to other enterprises, the level of financial and other supports provided by the Government of Saskatchewan to co-ops (and credit unions) should be less or much less according to 10.2% of survey respondents; should be the same according to 47.5% of respondents; and should be more or much more according to 23.3% of those surveyed (18.7 said they did not know)

Many respondents took up our invitation to comment further with respect to issues such as co-operatives and the future of the province. Their observations and suggestions included ideas such as:

- Why don't we have more housing co-ops?
- I wish Aboriginals were more fairly represented.
- They should make themselves more visible to the people.
- People don't realize what they do for the province.
- We need to educate our children about them; it should be part of business literacy in schools.
- They hold a strong place in the fabric of our province; I hope they continue serving the community.

## The Co-operative World Café

WORLD CAFÉ is a method of hosting powerful conversations that serve to deepen understanding, make connections, synthesize knowledge, and build community. The Café is built on the premise that wisdom, creativity, and caring are inherent in the community. It invites participants to explore possibilities for their own contexts. The Café method has been used globally by hundreds of groups, from multinational corporations to communities, non-profit groups, government offices, and educational institutions.

The Co-operative World Café, held 3 November 2012 as the capstone to the Co-operating to Build a Better West Conference in Saskatoon, SK, provided an opportunity for participants to become part of an exciting and dynamic conversation about the power of the co-operative model. Hosts Teresa Quilty and Tahirih North, along with eight other staff from the Organizational Development team at Federated Co-operatives Limited, facilitated the exercise, which enabled conference participants to further explore the insights they had gained from the keynote speakers and plenary and concurrent sessions. The Co-operative World Café was intended to draw out the meaning of those insights and help people translate them into positive change and action after the conference.

Over a couple of hours, participants shared their ideas, insights, and thoughts on a series of structured discussion questions. Key topics of conversation included challenges, successes, and strategies for the future. This brief report synthesizes key themes that came out of the session, providing some context and insight to the “word cloud” that was generated through this discussion. A word cloud, created through an application such as Wordle™, is a graphic representation of word frequency, a visual representation of text data that typically uses keyword metadata (or tags). Tags are usually single words or short phrases, with the importance of each tag (i.e., frequency of repetition) shown with font size or colour. In the case of the Co-operative World Café, the word cloud provides a visual summary of the discussions around co-operative strengths and challenges, as well as what participants identified as necessary to ensuring a strong future for co-operatives.

Over the course of the Café, participants shared a rich and varied collection of insights, concerns, and ideas for the present and future of co-operatives. There was a pronounced focus on communities, and discussions returned consistently to the importance of education. The key topic areas can be broadly summarized as co-operative infrastructure, services, and membership. Contextualizing these areas are the present socio-economic realities and economic climate, as well as the current and potential role of government at all levels. The overview provided here summarizes some of the key ideas shared as they relate to these six broad, overlapping themes. Though presented as discrete themes, it should be noted that they are strongly inter-related and the distinctions used here are somewhat artificial; however, it is beyond the scope of this summary to provide a full, holistic analysis.



### Co-operative Infrastructure

The structure of co-operatives offers both benefits and challenges. Some felt that the model was robust and responsive, while others offered a more critical view. Most agreed that co-operatives provide employment opportunities and equity for individuals and communities. Differences in proactive, rather than reactive, planning were discussed, as was the impact of progressive policies on the long-term strategies of co-operatives. Partnerships were hailed as fundamental to co-operative success, and mergers were debated in terms of helping or hindering co-operatives. Some argued that the co-operative model should be expanded, while others pointed to the need to reign in the model. Participants noted geographical challenges, especially the exodus of operations and services — as well as organizations themselves — to larger urban centres. They also emphasized that communication and trust are at the core of co-operative infrastructure, as are links to other social movements and community-based involvement. Though co-operatives employ technology to varying degrees, participants drew particular attention to the role of social media for its perceived benefits and challenges to infrastructure, but they felt that social media tools must be carefully implemented and managed to sustain organizations. Participants felt strongly about succession planning — the need

to identify, recruit, train, and retain the next generation of leaders. This is also addressed under “Co-operative Membership,” below.

### **Co-operative Services**

Of the varied and vital services that co-operatives provide, housing, community clinics, and education received the most attention. The degree to which co-operatives promote financial literacy was also identified as a key service, one that is not readily available elsewhere. Effective services are people-oriented and require appropriate training for staff and volunteers. Many felt that services offered by co-operatives — particularly specialized services — should increase or expand, while also noting the need for greater promotion of existing services. Increasing awareness of the services offered by co-operatives, highlighting particularly those not available elsewhere, could play a role in growing co-operative membership. Participants also felt that the general public needed to be made more aware of the overall benefits of co-operative membership and suggested information gatherings, co-operative orientation opportunities for immigrants, and social campaigns as some of the ways in which services could be promoted.

### **Co-operative Membership**

At the core of any co-operative are its members, and participants consistently highlighted the need for greater youth and First Nations involvement. Many were unsure how to increase involvement in a culturally appropriate way and wondered how to identify barriers that may prevent Aboriginal communities from engaging with co-operatives. Participants also debated strategies to engage youth and, again, many struggled with how to identify and address possible barriers. It was agreed that co-operatives could improve in better reflecting the demographics of the communities served, an issue also tied to co-operative infrastructure and staffing. Attracting, retaining, and integrating new co-operative members are critical to sustained growth and require mentorship. Some participants wondered if membership is declining, overall, and what impact the aging of members has on current demographics. Participants also raised the need to culturally diversify membership, and many wondered how to better promote multiculturalism within the model. Providing training and orientation in co-operative values and ideals to immigrants may be a way to increase membership among a population that may not be familiar with Canadian co-operatives.

### **Socio-Economic Realities**

Participants expressed concern over a multitude of socio-economic issues, ranging from housing and food security, to labour shortages and health care access, to the overall high cost of living. Specific issues identified included water quality and management, unemployment, the decline of rural populations and services, as well as the challenges of elder and child care. Inequality, justice, and community development were concepts that came up frequently, and participants felt that co-operatives had a strong role to play in addressing some of the issues faced by both co-operative members and non-members. The themes and issues covered in this portion of the conversation contextualized some of the other discussions that took place during the Café and served as a reference point to the importance of co-operatives in today’s society.

### **Economic Climate**

In connection with the socio-economic needs of the community, participants shared their thoughts on the inequitable distribution of wealth, the role of capitalism, and the growing disenfranchisement of citizens. They expressed frustration about the real estate market, the challenges of the agricultural environment, and the rise and fall of corporations. Participants broadly identified globalization, debt, and sustainability — financial and environmental — as pressing issues. And as with the socio-economic realities described above, participants felt that co-operatives had a strong role to play in addressing some of these issues, acknowledging at the same time that these issues could also serve as barriers to co-operative development and growth. Many pointed to the need for reaching out to a wider base of potential members to help people see the value and power of the co-operative model, a theme covered in the context of co-operative membership, above.

### **Government Roles and Support**

Government legislation and regulations affect the existence, development, and success of co-operatives. The scope and breadth of the federal and provincial governments' reach differs, affecting, among others, public services and education. Participants felt that co-operatives must identify and understand their allies, partners, and threats within government in order to be successful. Co-operatives must work closely with all levels of government, representatives of which may or may not understand the co-operative model. Education of elected leadership can play a significant role in how co-operatives are valued and supported in Canada.

### **Conclusion and Lessons Learned**

The Café identified many of the strengths and challenges of co-operatives today and offered some key considerations for the sustainable success of the model. Based on feedback from organizers and facilitators, it was agreed that future Cafés should be scheduled earlier in the conference program to ensure that more delegates are able to participate. Roughly one third of delegates did not attend the Café, held on the last day of the conference, because of their travel arrangements. This meant a reduced diversity of views. A more varied mix of backgrounds, representing different sectors within the co-operative movement, may have yielded different insights. In addition, organizers found that beginning the session with a discussion of the ways in which co-operatives could improve set a slightly negative tone for the Café. Participants, at times, became focused on the challenges and barriers and later struggled to move on to the more positive and forward-looking elements of co-operatives. In the future, to promote a conversation focused on solutions, it is recommended that the Café begin with a discussion of the benefits, strengths, and opportunities of co-operatives. The lessons learned from the first Co-operative World Café ensure that the next round of conversations will be even more powerful and contribute further to the broader discourse on co-operatives in Canada.