



Social Economy and Sustainability Research Network
Partenariat sur l'économie sociale et la durabilité
Bridging, Bonding, and Building / Renforcement des liens et des capacités

Working Paper #2008-01

A Portrait of Co-operatives and Credit Unions in Atlantic Canada: Preliminary Analysis

by

Luc Thériault
University of New Brunswick

Ron Skibbens
*Service Nova Scotia &
Municipal Relations*

and

Leslie Brown
Mount Saint Vincent University

September 2008



**Social Sciences and Humanities
Research Council of Canada**

**Conseil de recherches en
sciences humaines du Canada**

Canada

About the authors:

- Luc Thériault is a Professor in the Department of Sociology at University of New Brunswick, Fredericton, New Brunswick
- Ron Skibbens is the Inspector of Co-operatives, Co-operatives Branch, Service Nova Scotia and Municipal Relations
- Leslie Brown is a Professor in the Department of Sociology and Anthropology at Mount Saint Vincent University, Halifax, Nova Scotia

About the Network

The Social Economy and Sustainability Research (SES/ÉSD) Network is the Atlantic Node of the Canadian Social Economy Research Partnerships (CSERP) – one of six regional research centres across Canada, funded by the Social Sciences and Humanities Research Council of Canada (SSHRC), 2005-2010. The Network has a wide variety of academic, community and government partners representing Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador. www.msvu.ca/socialeconomyatlantic/ For more information, contact us: Social Economy and Sustainability Research Network, c/o Research House, Mount Saint Vincent University, Halifax, Nova Scotia B3M 2J6

Tel: 902-457-6748

Fax: 902-457-5547

E-mail: seproject@msvu.ca

About the Working Paper Series

The SES/ÉSD Network will periodically publish research papers about our research in Atlantic Canada. The papers will be written by both academics and social economy practitioners. The SES/ÉSD Network hopes these papers will contribute to the theory and practice of social economy within the Atlantic Region. Noreen Millar is the Network Coordinator and Managing Editor of the Working Paper Series. Papers in this series are not formally peer reviewed, but are products of Network-approved and managed research projects.

About CSERP

The Canadian Social Economy Research Partnerships (CSERP) is a collaborative effort of six regional research centres (nodes) across Canada, their community partners, and the national facilitating research hub. CSERP reaches out to practitioners, to researchers and to civil society, through the regional research centres and their community partners. It undertakes research as needed in order to understand and promote the social economy tradition within Canada and as a subject of academic enquiry within universities. www.socialeconomyhub.ca

Purchase Copies of Working Papers

\$12/copy. Specify working paper number, indicated at the top of the cover page. Cheques should be made payable to: The Social Economy and Sustainability Research Network and mailed to the address noted above.

Copyright © 2008 – Thériault

Any portion of these materials can be freely available for information and educational purposes, but cannot be re-published in any format that may entail fees or royalties without the express permission of the copyright holders.

EXECUTIVE SUMMARY

As part of its large research program, the *Social Economy and Sustainability Research Network* decided in 2006 to prepare and conduct a survey of co-operatives and credit unions in all four provinces of Atlantic Canada. It was felt that coherent and up-to-date information on the co-operative sector in the region was lacking and that such a project would make a significant and timely contribution to the “mapping” or “profiling” of the social economy.

Dr. Luc Thériault from the University of New Brunswick took the lead on this project with the help of other members of the research network and the technical assistance of survey research consultants from York University in Toronto. The survey was administered between April and October 2007 and yielded 296 usable responses from co-operatives and credit unions from across the region. This preliminary research report offers a first look at the information obtained by analyzing it overall and by breaking it down by language, province, and type of co-operative. Other analyses of the data are possible, of course, and may be the subject of future publications.

Overall, 80% of organizations responded to the English version of our questionnaire and 20% responded to the French version. Financial co-operatives (credit unions and *caisses populaires*) account for about 21% percent of responding organizations, housing co-operatives account for about 13%, and the remaining 66% is composed of a wide variety of “other co-operatives”.

For all the responding co-operatives the average “age-in-business” is nearly 33 years. Generally, co-operatives are members of one or two federations or associations. The Nova Scotia Co-op Council and Co-op Atlantic in particular are among the dominant umbrella organizations for the sector in the region. Co-operatives in Atlantic Canada, in turn, have cumulatively well over half a million “members” but it must be remembered that some of these members are counted more than once as an individual can be a member in several co-operatives. Financial co-operatives tend to have the largest number of individual members.

Co-operatives in Atlantic Canada generally hold one AGM per year, plus at least one other meeting. The typical Board of Directors overseeing these organizations is composed of nine or seven members. The Board of Directors typically meets 10 times a year (modal value). In about 24% of co-operatives, Board Members receive some form of compensation for their participation on the board. The use of volunteers (aside from board members) is found in about 55% of responding organizations.

The financial picture of the co-operatives in Atlantic Canada is extremely diversified and thus difficult to summarize. Using the median values, we find that a “typical” co-operative in the region has revenues of about \$437,000 and expenditures of around \$343,000. But these figures are only aggregates and the ranges found for both revenues and expenditures are astounding.

The number of paid employees (defined here as those receiving T4 slips for income tax purposes) also varies widely between co-operatives as the mode is 0, the median value is 3, and the average is 23.6! More interestingly, we can say that the cumulative number of employees (part-time and full-time) employed by the co-operatives responding to this survey is totaling over 6,800. This is not an insignificant number of jobs in the region!

Roughly between 40% and 60% of co-operatives are found to make voluntary contributions (the proportion varies with the type of contribution) to their local community. Collaborations with other co-operatives (i.e., within the co-op sector) is perhaps not as extensive as we had expected (22% of co-operatives report doing “a lot” of it and 26% report none of it) and the potential barriers preventing collaborations remain to be explored. As for the organization’s internal capacity (for things like planning, administration and IT), it is among financial co-operatives that we find the greater degree of capacities.

The survey shows that the internationally acknowledged Co-operative Principles are relatively well known in the sector (two thirds of co-operatives say that they are aware or very aware of them) but the education of the public (as opposed to that of members) is probably one of the areas (with participation in public policy development) where responding organizations are the least likely to fully live by these principles.

Finally, reporting practices of organizations are now extending relatively frequently into the reporting of social impacts (39%) but still relatively rarely into the reporting of environmental impacts (18%).

The conclusion stresses the importance for governments to pay increasing attention to the activities of co-operatives and to institute policies and regulations that are adapted to and helpful for the co-operative sector in the region.

ACKNOWLEDGEMENTS

Many organizations and individuals have contributed to make this survey possible. We would first like to acknowledge our sponsors who provided financial and/or in-kind support for this project. They include the Social Sciences and Humanities Research Council of Canada (the primary sponsor of the Social Economy and Sustainability Research Network), the Province of New Brunswick, the Province of Nova Scotia, the Province of Newfoundland and Labrador, the Province of Prince Edward Island, the *Conseil Acadien de la Coopération*, the Co-operatives Secretariat, Mount Saint Vincent University, the University of New Brunswick, and Service Nova Scotia and Municipal Relations (Co-operatives Branch). Second, the authors would like to thank David Daughton (PEI) and Raymond Gionet (NB) for their precious advice during the preparation of the questionnaire, our research assistants Robert Kempster (NS) and Erin Hancock (NB) for their diligent work, and our Toronto-based professional consultants Liza Mercier and David Northrup of the Institute for Social Research at York University for their invaluable expertise. Lei Jiang provided technical assistance with map-making. Third, and most importantly, we are extremely grateful to the co-operators who took the time across Atlantic Canada to complete our demanding questionnaire on behalf of their co-ops, credit unions or *caisses populaires*.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
ACKNOWLEDGEMENTS.....	5
TABLE OF CONTENTS.....	6
LIST OF TABLES.....	7
INTRODUCTION	8
Data Collection and Methodology	9
A Basic Profile of Responding Organizations	13
Membership of Co-operatives in Federations or Associations	17
Membership within Co-operatives.....	17
Board of Directors and Other Volunteers	20
Revenues and Expenditures: A Brief Financial Picture.....	23
Paid Employees.....	25
Contributions to the Community and Organizational Capacity.....	26
Respect for the Internationally Acknowledged Co-operative Principles.....	28
CONCLUSION.....	30
REFERENCES	31
APPENDIX: MAPS.....	32
Working Paper Feedback.....	43
SES/ÉSD Network Research Goals.....	45
SES/ÉSD Network Research Themes and Questions	45
Network Director:	46
Network Co-Directors:.....	46
Sub-node Coordinators:	46
Network Coordinator:	46

LIST OF TABLES

Table 1 - Response Rate by Type of Organization	11
Table 2 - Response Rate by Province	12
Table 3 - Response Rate by Language.....	12
Table 4 - Language of Questionnaire by Type of Co-operative	13
Table 5 - Language of Questionnaire by Province	14
Table 6 - Type of Co-operative by Province	14
Table 7 - Average Number of Years in Business by Type	14
Table 8 - Main Area of Activity	15
Table 9 - Main Area of Activity by Province	16
Table 10 - Main Area of Activity by Language.....	16
Table 11 - Membership of Co-ops in Federations or Associations	17
Table 12 - Co-op Membership by Province.....	17
Table 13 - Average Number of Members by Type.....	18
Table 14 - Average Number of Members by Province.....	18
Table 15 - Average Number of Members by Language	18
Table 16 - Average Number of Other Meetings Held Last Year.....	20
Table 17 - Average Number of Board Meetings Last Year.....	21
Table 18 - Average Number of Board Meetings Last Year by Province.....	21
Table 19 - Average Number of Board Meetings Last Year by Language	21
Table 20 - Average Size of Board by Language.....	21
Table 21 - Board Member Compensation by Type of Co-operative	22
Table 22 - Use of Volunteers by Type of Co-operative.....	23
Table 23 - Median Revenues and Expenditures	24
Table 24 - Co-op Employment by Province	25
Table 25 - Community Support by Type of Co-operative.....	26
Table 26 - Community Support by Province	26
Table 27 - Collaboration with Other Co-operatives by Language.....	27
Table 28 - Collaboration with Other Co-operatives by Type of Co-operative	28
Table 29 - Collaboration with Other Co-operatives by Province	28

INTRODUCTION

In 2005 the Social Sciences and Humanities Research Council of Canada (SSHRC) funded a series of community-university research teams across the country to study the contribution of the social economy to Canada's overall economic and social development. One of the regional teams funded through this Social Economy Suite program of SSHRC is based in Atlantic Canada and known as the *Social Economy and Sustainability Research Network*. It is led by Leslie Brown at Mount Saint Vincent University, with the help of three co-directors: Seth Asimakos of Saint John (NB), Penelope Rowe of St. John's (NL) and Luc Thériault of Fredericton (NB). The network is currently leading, or participating in, numerous social economy research projects in the four provinces of Atlantic Canada as part of its rich research program. The survey presented in this report is one of these exciting projects.

The social economy in Atlantic Canada consists of several components, including a variety of associations and non-profit organizations with or without charitable status, some mutuals (e.g., insurance companies), as well as a large number of co-operatives. The main reason that led us to focus on the co-operative component of the social economy in our survey is that, prior to the beginning of the network, an important *National Survey of Nonprofit and Voluntary Organizations* (NSNVO) had been conducted by Statistics Canada with a consortium of stakeholder organizations led by Imagine Canada (Berdhal et al., 2003). The NSNVO had provided strong baseline information regarding nonprofit and voluntary organizations across the country and in Atlantic Canada (Rowe, 2006). However, the co-operative component of the social economy has not been touched upon by the NSNVO and our network felt that supplementing and complementing the NSNVO information in Atlantic Canada with some fresh baseline information regarding co-operatives would enrich our knowledge of the social economy as a whole in the region.

Hence, as part of a research program attempting to contribute to a better description of the scope and nature of the social economy in Atlantic Canada, this report presents the highlights of an important survey of the co-operative sector in the Atlantic region. As such, this work is shedding some light on one component of the social economy in the region. It is hoped that other contributions will illuminate other aspects or practices that can also be identified as belonging to the social economy.

Prior to initiating this project, we certainly understood that the co-operative sector is a major contributor to our region. However, we did not have a comprehensive understanding of the characteristics of this sector in Atlantic Canada. We had some information on the numbers of organizations and their areas of business, but even these data were not very accurate, as we found out from individual provinces and from the Co-operatives Secretariat. Our project surveyed co-operatives to obtain information that should be useful in a variety of ways. For example, to:

- develop comprehensive and accurate lists of all co-ops and credit unions in the four Atlantic Provinces, and map their geographic distribution;
- categorize the types of activities in which co-ops are involved;
- start documenting their contribution to the regional economy and social development;

- show how they are financed and the role they play in supporting the community and other co-ops in the region;
- compare, eventually, the profile of the co-operative sector to that of the nonprofit and voluntary sector in Atlantic Canada;
- compare, eventually, our region to other regions in Canada where similar descriptive work is being done;
- contribute to research on the co-operative sector by government officials, university researchers and students, and co-operators themselves;
- inform public policy on regional economic and community development.

This report is an important step in ensuring that results of the survey will be available to a variety of stakeholders. This project has made it possible for us to sketch a clearer portrait of a vital part of the regional social economy that needs to be better understood.

Data Collection and Methodology

The Institute for Social Research (ISR) administered a mail survey of co-operatives and credit unions in the four Atlantic Provinces. The survey was conducted on behalf of the Social Economy and Sustainability Research Network, a group of researchers from universities, government and community agencies across Atlantic Canada which is funded by the Social Sciences & Humanities Research Council of Canada. Principal investigators were Dr. Leslie Brown (Mount Saint Vincent University), Mr. Ron Skibbens (Service Nova Scotia & Municipal Relations), and leading the project, Dr. Luc Thériault (University of New Brunswick).

The multiple aims of the survey were to construct an improved profile of this sector, to help document the contributions that co-ops and credit unions make to the regional economy, to inform public policy on regional economic and community development, and to provide a baseline for a future comparison of the co-operative sector with the nonprofit and voluntary sector in the region and perhaps in Canada as a whole. We are able to say that these objectives have now been reached with the publication of this report.

Sample

The list of co-operatives and credit unions included in the survey was constructed by the principal investigators with the help of research assistants. Language preference (English or French) was assigned to each organization based on organization name and location, and mailings were prepared accordingly. Organization ‘type’ was also assigned based on the code provided in the mailing list and/or the name of the organization. Over several months, the research team carefully created a master file of 723 organizations (472 co-operatives, 141 housing co-operatives, and 110 *caisses populaires* or credit unions) representing all the known

co-operatives that could be identified in Atlantic Canada¹. For the mail-out survey, each organization was assigned an ID number that allowed each respondent to be uniquely identified in order to facilitate the tracking of mail-outs. In most cases, the name of a contact person within the organization was provided, and all mailings were directed to “Board of Directors, c/o [name of contact person]. Where no contact name was available, mailings were directed to “Board of Directors.”

Questionnaire Design

In order to pre-test the questionnaire, two focus groups were held in Halifax in March 2007. In one session, 11 people representing co-operatives attended; and in the second session, 12 people representing a mix of co-operatives and credit unions attended. The purpose of the focus groups was to see whether participants felt that organizations would be able and willing to respond to the questions asked in the survey, that the wording of questions was understood the same way by all participants, and that any important issues had not been left out. As a result of these focus group discussions, changes were made to the questionnaire and the cover letter. These documents were then translated into French by professional translators under contract with the Co-operatives Secretariat (a unit of Agriculture and Agri-Food Canada).

Data Collection

All co-ops and credit unions in the sample received at least three mailings beginning April, 2007. The first was a letter of introduction describing the study and encouraging the contact person (when provided) or an appropriate member of the Board of Directors to participate. The second mailing was a complete questionnaire package consisting of a cover letter, questionnaire, information sheet and postage-paid return envelope sent one week later. The third mailing was a reminder/thank you card to all co-ops/credit unions sent one week after the questionnaire package. Organizations that did not return a completed questionnaire were sent a second questionnaire package identical to the first, except for the cover letter, about six weeks after the first questionnaire package. One final contact was made by telephone in mid-August to encourage those who had not returned their questionnaire to please do so. When requested, replacement questionnaires (or questionnaires in the other official language) were sent.

All letters were prepared on University of New Brunswick letterhead, and sent in University of New Brunswick envelopes. Mail that was undeliverable was directed to Dr. Luc Thériault at the University of New Brunswick. Wherever possible, new addresses for these organizations were found and the packages were re-mailed. Data collection ended on October 10, 2007.

¹ We started to build the list by using lists provided by the Inspectors of Co-ops from the four Atlantic Provinces. A research assistant spent several months over the phone cleaning, up-dating and completing this list to make it as exhaustive and precise as possible. At the time of the mail-out, we undoubtedly possessed the best list of co-operatives for Atlantic Canada. In fact, the federal co-operative secretariat has approached us to obtain a copy of it, recognizing that it is superior to its own as far as Atlantic Canada is concerned.

Data Processing

As questionnaires were returned to ISR they were logged into a database using the barcode/ID label as either a completion, a refusal, undeliverable, or as ineligible (i.e., organization was no longer operational). Data from all completed questionnaires were entered and the final data set was provided to the principal investigators as a SPSS save file consisting originally of 128 variables and 296 cases.

The file was checked for duplicates (one organization completed more than one questionnaire). The data cleaning process included checks on items relating to income, expenses, and balance sheet questions. In addition, out of range values (extremely high or low values) and missing values were checked and corrected where appropriate. For some questions, “don’t know” responses were recoded into “system missing.” The variables ‘PROVINCE’, ‘POSTAL CODE’ and ‘TYPE’ from the sample file were added to the data file. Text files for all of the open-ended questions were created as Excel files.

Response Rate

Reporting on response rates is extremely important in survey research to assess the credibility of the exercise, but there are numerous ways to calculate response rates. The method used in this project was defined as the number of completed questionnaires divided by the number of known eligible organizations, times 100. Dividing the number of completions (296) by the number of eligible co-operatives (686) gives a final response rate of 43%. Tables 1, 2 and 3 show response rates by type of organization, by province and by language.²

Table 1
Response Rate by Type of Organization

Type	Total	Non-response	Completion	Refusal	Undeliverable	Ineligible	Response Rate
Co-ops	472	234	195	11	12	20	44.3%
Housing Co-ops	141	95	40	2	4	0	29.2%
Credit Unions	110	47	61	1	1	0	56.0%
TOTAL	723	376	296	14	17	20	43.1%

² We get to 686 organizations by adding (in Tables 1, 2 and 3) the following categories: non-response (376) + completion (296) + refusal (14). The undeliverable (17) and the ineligible (20) are excluded from the count.

Table 2
Response Rate by Province

Province	Total	Non-response	Completion	Refusal	Undeliverable	Ineligible	Response Rate
NB	207	86	104	2	8	7	54.2%
NL	80	50	23	1	6	0	31.1%
NS	339	187	132	8	2	10	40.4%
PE	97	53	37	3	1	3	39.8%
TOTAL	723	376	296	14	17	20	43.1%

Table 3
Response Rate by Language

Language	Total	Non-response	Completion	Refusal	Undeliverable	Ineligible	Response Rate
English	597	319	237	14	11	16	41.6%
French	126	57	59	0	6	4	50.9%
TOTAL	723	376	296	14	17	20	43.1%

The final response rate of 43% can be considered a respectable achievement for this study. In comparison, Paxson, Dillman, and Tarnai (1995), reviewing 180 studies with business respondents in the academic and trade literature during the early 1990s, calculated their average response rate to be 21%.

Plan of Analysis

The plan for this preliminary analysis is to use both univariate descriptive analysis (i.e., description and discussion of simple frequency distributions) as well as limited number of techniques for bivariate analysis to explore the association between variables (two at a time). The techniques used here are contingency tables (cross tabulations) and comparison of means (or a comparison of medians for some distributions³).

With cross tabulations, we use chi-square tests as well as symmetric measures such as Phi and Cramer's V. We are using mainly Cramer's V in this report as our preferred statistic. Cramer's V is a Chi-square based statistic that can be used for measuring the strength of association or dependency between (nominal) categorical variables in contingency tables of all sizes. Its value ranges between 0 and 1, where 0 indicates no association and 1 indicates perfect association.

³ In the few instances where we compare medians, we used the Kruskal-Wallis non-parametric test.

With comparison of means, we use one-way ANOVA (analysis of variance) to test for differences among two or more groups and we are reporting the F-value. The use of an ANOVA is preferable to that of a *t*-test when dealing with more than two groups (e.g., four provinces).

The three key variables used in either cross tabulations or in comparison of means are “LANGUAGE” (French or English), “TYPE” (Credit Union/Caisses Populaires, Housing Co-ops, and Other Co-ops), and “PROVINCE” (NB, NS, PEI, NL). This means that in the following analysis the answers to the questionnaire are systematically explored using these three basic breakdowns. In future analyses, it will be possible to use other variables as a basis for more comparisons.

A Basic Profile of Responding Organizations

Of the 296 organizations responding to our survey, 21% (61) are financial co-operatives (credit unions or caisses populaires), 13% (40) are housing co-operatives, and the remaining 66% (195) are other types of co-operatives. Overall, 20% (59) of responding organizations responded in French and 80% (237) responded in English (see Table 4).

The language used in responding is significantly related to the type of the organization due to the presence of the *caisses populaires* among the financial co-operatives. Hence, while 36% of financial co-operatives used French in responding to the survey, only 5% of housing co-operatives responded in French as seen in Table 4 below.

Table 4
Language of Questionnaire by Type of Co-operative (N=296)

		TYPE			Total
		Co-operatives	Housing Co-operatives	Credit Unions & Caisses Populaires	
Language of Questionnaire	English	82.1%	95.0%	63.9%	80.1%
	French	17.9%	5.0%	36.1%	19.9%
Total		100.0%	100.0%	100.0%	100.0%

Missing: 0 Chi-Square = 16.018, d.f.=2, $p < 0.001$ Cramer's V=0.233

The responding organizations are from all four provinces within the Atlantic region, with 45% (132) of them based in Nova Scotia, 35% (104) based in New Brunswick, 12% (37) based in Prince Edward Island, and only 8% (23) based in Newfoundland and Labrador where the survey was least successful in generating responses. Not surprisingly, New Brunswick (Canada's only bilingual province) generated the highest proportion of co-operatives responding in French (49%) while less than 6% of co-operatives used that language to respond in the other three provinces (Table 5)⁴. Financial co-operatives have a strong presence among responding organizations in New Brunswick and Newfoundland where they represented just

⁴ Hence the language of the questionnaire used is strongly and significantly correlated with the province where the co-operative is situated: Cramer's V= 0.537, $p < 0.001$.

over 30% of respondents, while housing co-operatives were proportionally more frequent in Nova Scotia (19% of responding organizations) than in the other provinces (Table 6)⁵.

Table 5
Language of Questionnaire by Province (N=296)

		PROVINCE				Total
		New Brunswick	Newfoundland and Labrador	Nova Scotia	Prince Edward Island	
Language of Questionnaire	English	51.0%	100.0%	94.7%	97.3%	80.1%
	French	49.0%	0.0%	5.3%	2.7%	19.9%
Total		100.0%	100%	100.0%	100.0%	100.0%

Missing: 0. Chi-square=85.51, d.f.=3, $p<0.001$, Cramer's $V=0.53$.

Table 6
Type of Co-operative by Province (N=296)

		PROVINCE				Total
		New Brunswick	Newfoundland and Labrador	Nova Scotia	Prince Edward Island	
Type	Co-operatives	60.6%	56.5%	69.7%	73.0%	65.9%
	Housing Co-ops	7.7%	13.0%	18.9%	10.8%	13.5%
	Credit Unions & Caisses Populaires	31.7%	30.4%	11.4%	16.2%	20.6%
Total		100.0%	100%	100.0%	100.0%	100.0%

Missing: 0. Chi-square=20.15, d.f.=6, $p<0.01$, Cramer's $V=0.18$.

The responding organizations had been in business on average for 32 years, with the two oldest responding co-operatives (founded in 1919) having been in existence for 88 years. In 44% of cases, however, the co-operatives have been in business for 22 years or less. The age of the organization (number of years in business) is significantly related with the type of co-operatives as financial co-operatives tend to be much older on average (58 years old) than the other types of co-operatives (around 26 years old as seen in Table 7).

Table 7
Average Number of Years in Business by Type (N=281)

Type	Mean	N	Std. Deviation
Co-operatives	26.1902	184	21.70170
Housing Co-operatives	25.8158	38	15.97947
Credit Union & Caisses Populaires	58.3559	59	18.80184
Total	32.8932	281	24.24288

Missing: 15. $F=57.956$, d.f.=2, $p<0.001$

⁵ The relationship between type of co-operative and province of location is weak ($\Phi=0.261$ and Cramer's $V=0.185$) but nevertheless significant at the 0.01 level.

Co-operatives in Atlantic Canada are involved in many different activities and it is difficult to decide on a proper classification system or typology to categorize the main activity the organization is reporting. In Québec, at least two different classifications are used, one including 16 categories and the other 40 categories (Bouchard et al. 2006). The Canadian Co-operatives Secretariat identifies 13 main groups of activities (each of these can have one or more “domain of activities” attached to it). For broad descriptive purposes we find that these typologies present too many categories and we choose to use a more succinct system of classification derived from the work of Marie J. Bouchard (2008) and her team at the *Chaire de recherche en économie sociale*, based at l’Université du Québec à Montréal (UQAM). This concise system uses only the seven meta-categories found in Table 8:

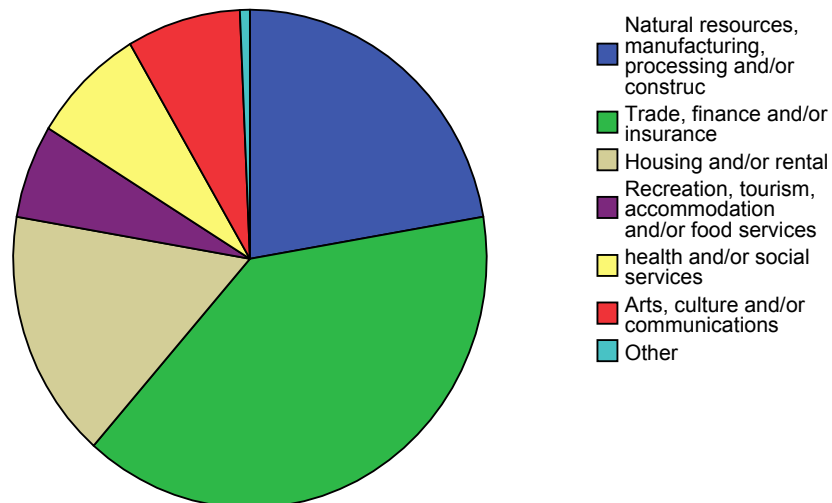
Table 8
Main Area of Activity (N=296)

Main Activity Area (Category 1 to 7)	Count	%
1. Natural resources, manufacturing, processing and/or construction	66	22.3
2. Trade, finance and/or insurance (includes credit unions)	116	39.2
3. Housing and/or rental	48	16.2
4. Recreation, tourism, accommodation and/or food services	18	6.1
5. Health and social services	23	7.8
6. Arts, culture and communication	23	7.8
7. Other	2	0.6
Total	296	100%

Missing: 0

While this classification system seems straightforward, we had to verify many answers and re-distribute a number of “7-other” answers to ensure validity. In the end, some decisions have an arbitrary character. For instance we decided to classify co-operative farmers markets into category 1 (natural resources/agriculture) but to classify retailers of farm implements into category 2 (trade) rather than into agriculture. Some of these decisions involved judgment calls that are not unquestionable. Yet, in the end, the distribution is interesting as it provides an up-to-date image of the areas of activity in which co-operatives are involved.

What is the MAIN area of activity of your organization?



Some differences can be observed by province (Table 9), with PEI having proportionally more co-operatives (16.2%) than other provinces in the areas of both “health and social services”, and “arts, culture and communication.” Newfoundland and Labrador, on the other hand, has proportionally fewer co-operatives in category 1 (8.7% compared to 22.3% in Atlantic Canada as a whole).

Table 9
Main Area of Activity by Province (N=296)

Main Activity Area (Category 1 to 7)	NB	NL	NS	PEI
1. Natural resources, manufacturing, processing and/or construction	19.9%	8.7%	28.8%	16.2%
2. Trade, finance and/or insurance	49.0%	56.5%	30.3%	32.2%
3. Housing and/or rental	10.6%	13.0%	22.7%	16.2%
4. Recreation, tourism, accommodation and food services	6.7%	4.3%	6.1%	6.1%
5. Health and social services	7.7%	13.0%	4.5%	16.2%
6. Arts, culture and communication	6.7%	4.3%	6.8%	16.2%
7. Other	0.0%	0.0%	0.8%	2.7%
Total	100%	100%	100%	100%

Missing: 0.

As seen in Table 10, below, co-operatives responding in French are proportionally more active in “trade, finance and insurance” (59.3%) and proportionally less active in categories 1 (3.4% in natural resources, etc.) and 3 (5.1% in housing or rental) as compared to co-operatives responding in English.

Table 10
Main Area of Activity by Language (N=296)

Main Activity Area (Category 1 to 7)	English	French
1. Natural resources, manufacturing, processing and/or construction	27.0%	3.4%
2. Trade, finance and/or insurance (includes credit unions)	34.2%	59.3%
3. Housing and/or rental	19.0%	5.1%
4. Recreation, tourism, accommodation and/or food services	5.1%	10.2%
5. Health and social services	6.8%	11.8%
6. Arts, culture and communication	7.2%	10.2%
7. Other	0.7%	0.0%
Total	100%	100%

Missing: 0.

The responding organizations tend to be stand-alone organizations as only 10% of them report being a sub-unit of a larger parent organization. Over one third of the responding organizations (37%) state that they are legally registered as a not-for-profit or as a charity. Only 17% self-identify as a worker co-operative. A large majority of responding organizations (70%) report being (institutional) members of another co-operative, such as a credit union or a *caisse populaire*.

Membership of Co-operatives in Federations or Associations

Co-operatives in Atlantic Canada are often members of one or more federations or umbrella associations of some sort. In fact, the 245 co-operatives that provided information on this point hold collectively 428 memberships in such federations or associations. That is to say that the average co-operative in Atlantic Canada is a member of 1.75 federations or associations. In this survey, six federations or associations attract the bulk of the federative/associative memberships (60%). They are listed in Table 11 below in order of “attractive power”. The Nova Scotia Co-op Council and Co-op Atlantic alone account for over 30% of all the memberships in federations or associations identified in this study.

Table 11
Membership of Co-ops in Federations or Associations (N=245)

Top Federations or Associations of Co-operatives	No. of Memberships	% of all Memberships
• Nova Scotia Co-op Council	78	18.2%
• Co-op Atlantic	53	12.4%
• Co-operative Housing Federation of Canada	36	8.4%
• Canadian Co-operative Association	31	7.2%
• Credit Union Central of Nova Scotia	31	7.2%
• Caisses Populaires Acadiennes	28	6.5%
• Other Federations or Associations	171	40.1%
Total	428	100%

Missing: 51.

Membership within Co-operatives

As for the issue of looking at the individual membership within the responding co-operatives, we must first observe that the variation in the size of membership across organizations is enormous. While the mean value is 1,888 members, this is influenced by outlier cases. The median number of individual members for responding organizations is in fact 100, but the maximum is 30,000. Overall, about 20% of responding organizations have 16 members or less. The sum of all members reported by the 280 co-operatives that responded to this question is 528,797 across Atlantic Canada. The breakdown by province is presented in Table 12 below. Of course, we must remember that this involves double and multiple counting as one individual can be a member of several co-operatives.

Table 12
Co-op Membership by Province (N=280)

Province	Cumulative Number of Memberships	# of Responding Co-ops
NB	261,049	97
NL	39,575	23
NS	141,823	125
PEI	86,350	35
Total	528,797	280

Missing: 16

Financial co-operatives (credit unions and caisses populaires) have the largest average number of members (approaching 6,000) while housing co-operatives (Table 13), not surprisingly, have a small average number of members (mean = 30).⁶ Provincial variations in membership also exist (Table 14), with New Brunswick having the largest average number of members per cooperative (mean=2,691) and Nova Scotia the smallest (mean=1,134).⁷ Organizations responding in French (Table 15) also tend to have a larger number of members (mean=3,421) compared to organizations responding in English (mean=1,496).⁸

Table 13
Average Number of Members by Type (N=280)

Type	Mean	N	Std. Deviation
Co-operatives	931.71	181	2,800.30
Housing Co-operatives	30.00	39	24.60
Credit Union & Caisses Populaires	5,983.12	60	5,042.87
Total	1,888.56	280	3,888.35

Missing: 16. F=62.13, d.f.=2, p<0.001.

Table 14
Average Number of Members by Province (N=280)

Province	Mean	N	Std. Deviation
New Brunswick	2,691.23	97	4,053.22
Newfoundland	1,720.65	23	2,340.42
Nova Scotia	1,134.58	125	3,180.88
PEI	2,467.14	35	5,739.35
Total	1,888.56	280	3,888.35

Missing: 16. F=3.29, d.f.=3, p<0.05.

Table 15
Average Number of Members by Language (N=280)

Language	Mean	N	Std. Deviation
English	1,496.77	223	3,793.24
French	3,421.37	57	3,909.33
Total	1,888.56	280	3,888.35

Missing: 16. F=11.54, d.f.=1, p<0.01.

Responding organizations can also have other organizations as (institutional) members of their co-operative, but that is mainly found among credit unions and *caisses populaires* who typically can have 100 organizations within their membership⁹.

⁶ This is a statistically significant difference, obviously, with F=62.13, d.f.=2, p<0.001.

⁷ This is a weak but statistically significant difference with F=3.29, d.f.=3, p<0.05.

⁸ This difference is statistically significant, with F=11.54, d.f.=1, p<0.01.

⁹ 100 is the median number of organizations that financial co-operatives have as members.

The evolution (increase or decrease) in the membership can be assumed as one (imperfect) measure of the health of an organization. In about 2/3 of responding organizations, the membership is reported to have increased or stayed about the same compared to 3 years ago. Only 13% of organizations report a decrease in their membership. Thus, based on this measure, the co-operative sector in Atlantic Canada seems to be experiencing reasonable expansion in recent years.

One of the criticisms often made about social economy organizations, including co-operatives, is that they are narrowly focused on serving specific groups and thus have a restricted membership based on some eligibility criteria, instead of being “open to all [who can pay]” as is usually found in the private, for-profit sector. Much would need to be said about this as restricted membership should not automatically be conceived as a form of discriminatory practice. Regardless, our investigation found mixed results, with 41% of responding organizations self-reporting restricted membership (e.g., farmers, milk producers, etc.) and 59% being unrestricted and open to all.

If we analyze this result using our 3-types of organizations we find that over 90% of financial co-operatives (credit unions and *caisses populaires*) have unrestricted membership, while all other co-operatives are equally divided between those having restrictions and those having no restriction on membership.¹⁰

By language used, we find that organizations responding in French are more likely to have unrestricted membership (probably due to the important number of *caisses populaires* within these organizations)¹¹. Similarly, if we analyze the results by province, we find that New Brunswick co-operatives are the most likely to have unrestricted membership (73%) while this proportion is lowest among Nova Scotia co-operatives (49%).¹²

The democratic nature of a co-operative is ensured through a series of mechanisms, one of which is an Annual General Meeting (AGM) that is required by legislation. The AGM gathers a quorum of members who vote on important aspects of the life of the organization, including its financial report. In the 12 months prior to our survey, 96% of responding organizations had held an AGM. In 97% of cases there was quorum at the AGM and in 96% of cases a financial report (or audit) was approved by the members during the meeting.

As in any organization, the AGMs held by co-operatives are rarely attended by all members. Overall, among responding co-operatives, we find that in about 50% of cases, 25% of members or fewer attended the AGM. In 2/3 of cases, attendance was at 50% of membership or less. Financial co-operatives, co-operatives responding in French, and those from New Brunswick were more likely to have a low percentage of members attending the AGM. The key point

¹⁰ It seems that the question on restrictive membership was not always properly understood. For instance, some housing co-ops that are legally supposed to be “unrestricted” report being “restricted” to low-income populations, etc.. We are not sure if this is an issue with our question per se or if it indicates that the practice of these co-ops is in contradiction to their legal status. Hence, results regarding the restriction of membership must be interpreted with caution.

¹¹ This difference is weak but statistically significant, with Cramer’s $V=0.17$, $p<0.005$.

¹² This difference is statistically significant, with Cramer’s $V=0.21$, $p<0.005$.

here is that credit unions and *caisses populaires* are less likely to attract a large proportion of their membership (which tend to be larger than that of other co-ops) to the AGM.¹³

Other members' meetings can be held during the course of a year on a variety of subjects, in addition to the mandatory AGM. Making an interpretation as to whether it is a positive indication to have more or less other meetings is difficult. Having no other meeting than the AGM might be indicating a "democratic deficit" but, on the other hand, having more than one meeting per month might indicate that numerous or serious unresolved problems are present.

In this study, co-operatives generally held 0, 1 (the median value) or 2 other meetings in the year prior to the survey, but one organization held 20. Probably because of their nature and the small number of members involved, housing co-operatives tend to hold significantly more meetings in a year (nearly 6 in average) than the other responding organizations (Table 16).

Table 16
Average Number of Other Meetings Held Last Year (N=284)

Type	Mean	N	Std. Deviation
Co-operatives	2.27	188	3.18
Housing co-operatives	5.89	37	4.40
Credit Unions & Caisses Populaires	0.44	59	1.76
Total	2.36	284	3.49

Missing: 12. F=34.63, p<0.001

Board of Directors and Other Volunteers

The Board of Directors is a key component in the governance of a co-operative and, as such, is expected to meet on a regular basis over the course of a year. The median number of board meeting was 10 (with the mean at 8.5) in this study. Typically, both financial and housing co-operatives have more frequent board meetings than other types of co-operatives. Newfoundland and Labrador co-operatives tend to have the largest number of board meetings (10.3 on average), while Nova Scotia co-operatives have the least (7.6 on average).¹⁴ Co-operatives responding in French tended to have more board meetings than those responding in English (10.2 in average versus 8.1).¹⁵

¹³ It is difficult to find information in the Canadian literature regarding attendance rates at co-operative AGMs. However, a recent study by André Leclerc (2007) focusing on 16 Acadian *Caisses Populaires* reports that in 2004 the average participation rate in these organization stood at 2.2%. In a personal communication, an expert from BC reports that participation rate in BC's credit unions are considered "very good" once they reach 4-5%.

¹⁴ This difference by province is statistically significant, with F=4.32, d.f.=3, p<0.01.

¹⁵ This difference by language is statistically significant, with F=11.31, d.f.=1, p<0.01.

Table 17
Average Number of Board Meetings Last Year (N=286)

Type	Mean	N	Std. Deviation
Co-operatives	7.67	189	4.52
Housing co-operatives	9.47	36	4.76
Credit Unions & Caisses Populaires	10.62	61	2.24
Total	8.53	286	4.34

Missing:10. F=12.57, d.f.=2, p<0.001.

Table 18
Average Number of Board Meetings Last Year by Province (N=286)

Province	Mean	N	Std. Deviation
New Brunswick	9.16	102	4.40
Newfoundland and Labrador	10.32	22	4.46
Nova Scotia	7.58	128	4.38
Prince Edward Island	9.06	34	3.19
Total	8.53	286	4.34

Missing: 10. F=4.32, d.f.=3, p<0.005.

Table 19
Average Number of Board Meetings Last Year by Language (N=286)

Language	Mean	N	Std. Deviation
English	8.10	229	4.41
French	10.23	57	3.60
Total	8.53	286	4.34

Missing:10. F=11.31, d.f.=1, p<0.001.

In Atlantic Canada, co-operative Boards of Directors are typically composed of 7 or 9 members (the average is 8.2). The size of the boards does not significantly vary by province or type of co-operative. However, organizations responding in French tend to have slightly larger boards (Table 20).¹⁶ We find that in 85% of responding co-operatives all board positions were filled (no vacant seats) at the time of the survey.

Table 20
Average Size of Board by Language (N=294)

Language	Mean	N	Std. Deviation
English	7.64	236	3.72
French	10.69	58	16.04
Total	8.24	294	7.91

Missing: 2.F=7.06, d.f.=1, p<0.01.

¹⁶ French co-operatives had on average a board composed of 10.7 members, as opposed to only 7.6 members for English-speaking co-operatives. This difference is statistically significant, with F=7.1, d.f.=1, p<0.01.

For participating on boards, directors are often reimbursed for expenses but we assumed originally that they are rarely receiving other financial compensation. This, it turns out is not exactly the case, as about 24% of responding co-operatives report offering some additional financial compensation to board members (still, 76% do not). The presence of such compensation is more common in financial co-operatives (57.4%) than in other types of co-operatives in Atlantic Canada (less than 17%) as seen in Table 21.¹⁷

Table 21
Board Member Compensation by Type of Co-operative (N=292)

		TYPE			Total
		Co-operatives	Housing Co-operatives	Credit Unions & Caisses Populaires	
Board Member compensation	Yes	16.7%	5.1%	57.4%	23.6%
	No	83.3%	94.9%	42.6%	76.4%
Total		100.0%	100.0%	100.0%	100.0%

Missing: 4. Chi-Square = 51.05, d.f.=2, $p<0.001$ Cramer's V=0.418.

Another relative measure of democracy and openness in the governance of an organization is the presence of individuals belonging to minorities or disadvantaged groups on the Board of Directors. Since 1984, the federal government recognizes that four groups (women, Aboriginal Peoples, persons with disabilities and members of visible minorities) are in need of special measures to overcome existing societal barriers in areas such as the labour market. We thus choose to focus our examination of board composition on these four groups and we added "youth" (those under 30 years of age) as a fifth group to gauge how much space co-operatives are willing to make for the next generation of co-operators.

The results are perhaps not surprising but nevertheless disappointing. Among responding co-operatives, 95% had no First Nations People on the board, 87% had no person with a disability on the board, 86% had no member of visible minority on the board, and 75% had no youth on the board. The situation for women (who represent 51% of the Canadian population) is somewhat better with only 14% of responding co-operatives not having a woman on the Board of Directors. Still, in Atlantic Canada, a co-operative has typically 3 women on its board, which is clearly less than 50% of the directors. In view of these results, the co-operative movement might want to initiate a discussion on its policies and practices regarding recruitment of board members.

Excluding board members, some co-operatives make use, on occasion, of the work of (unpaid) volunteers - although this practice is assumed to be much less frequent than in non-profit and charitable organizations in general. Overall, we find that roughly 55% of responding co-operatives make use of volunteers and 45% do not. However, over 81% of housing co-operatives are making use of volunteers which makes them the most likely type of co-operative to use volunteers. Financial co-operatives, on the other hand, are the least likely to make use of volunteers, with 39% of them reporting this practice (Table 22).¹⁸ The approximate number

¹⁷ This difference by type of co-operatives is statistically significant, with Cramer's V=0.42, $p<0.001$.

¹⁸ The difference of volunteer use by type of co-operative is statistically significant, with Cramer's V=0.24, $p<0.001$

of volunteers involved annually is generally small, with 82% of co-operatives with volunteers making use of 20 or fewer volunteers.

Table 22
Use of Volunteers by Type of Co-operative (N=293)

		TYPE			Total
		Co-operatives	Housing Co-operatives	Credit Unions & Caisses Populaires	
Use of Volunteers	Yes	53.6%	81.6%	39.3%	54.3%
	No	46.4%	18.4%	60.7%	45.7%
Total		100.0%	100.0%	100.0%	100.0%

Missing: 3. Chi-Square=16.93, d.f.=2, Cramer's V=0.24, p<0.001.

Identifying, obtaining, training and retaining human resources is often challenging for organizations, including co-operatives in Atlantic Canada. We investigated how much of a problem the responding co-operatives have with a) obtaining and retaining paid staff, b) providing staff training and development, c) obtaining and retaining board members, and d) training board members. Note that these questions are considered “not applicable” by many housing co-operatives because residents are those involved in the co-operatives.

A third (34%) of responding co-operatives state that obtaining and retaining paid staff is a moderate or serious problem. Approximately a quarter of responding co-operatives state that it is a moderate or serious problem for them to provide staff training and development, to obtain and retain board members, and to train board members. Financial co-operatives see the provision of training and development to staff as generally less problematic than in other co-operatives (housing co-operatives are excluded here).

As for obtaining and retaining board members, only in PEI do we find a deviation from the pattern found in the other provinces, with 11% of responding co-operative reporting this as a moderate or serious problem in PEI, compared with approximately 30% in the other provinces. PEI also stands on its own regarding the provision of training to board members with just under 17% of co-operatives stating that this is a moderate or serious problem for them. In the other provinces, this proportion ranges between 22% and 35% in comparison.

Revenues and Expenditures: A Brief Financial Picture

In Atlantic Canada, the financial picture of co-operatives is extremely varied – thus, the use of average figures conveys somewhat misleading information. For instance, the total revenues reported range from a minimal annual value of \$90 to a whopping \$255,519,000. This gives us a median value of \$437,050 which probably is a proper indication of the central tendency. Similarly, reported expenditures range from \$38 to \$53,541,027 for a median value of \$343,017.

Using the Kruskal-Wallis non-parametric test we can compare median values as we can compare means using the ANOVA. The Kruskal-Wallis test is interpreted like a Chi-Square test, based on the rejection of the null hypothesis.

Not surprisingly, financial co-operatives have much larger median revenues and expenditures than the other types of co-operatives as can be seen in Table 23 below.¹⁹ Because a large proportion of co-operatives responding in French are in fact *caisses populaires* (22 out of 59) we also find that the median revenues and expenditures of co-operatives responding in French are larger than is the case in co-operatives responding in English.²⁰

Looking at the median revenues and expenditures by province, we find that Newfoundland and Labrador co-operatives have the highest values and that co-operatives from PEI have the lowest.²¹ We must remember, however, that the results for Newfoundland and Labrador are based on only 18 cases and that a self-selection bias in favor of larger organizations might be at play.

Table 23
Median Revenues and Expenditures

Breakdowns	Median Revenues	Median Expenditures
All co-operatives (N=228 & 220)	\$437,050	\$343,017
Co-operatives (n=152 & 143)	\$246,181	\$168,203
Housing Co-operatives (n=22)	\$193,066	\$188,738
Credit Unions/Caisses Populaires (n=54 & 55)	\$2,615,535	\$2,450,451
Co-operatives using English (n=184 & 179)	\$312,809	\$258,284
Co-operatives using French (n=44 & 41)	\$2,882,500	\$2,073,977
New Brunswick (n=85 & 79)	\$715,000	\$568,364
Newfoundland & Labrador (n=18 & 18)	\$1,6510,00	\$1,291,849
Nova Scotia (n=96 & 96)	\$281,046	\$206,228
Prince Edward Island (n=29 & 27)	\$179,324	\$108,625
1. Natural resources, manufacturing, processing and/or construction (n=52 & 48)	\$190,388	\$96,914
2. Trade, finance and/or insurance (including financial co-ops) (n=101 & 100)	\$2,506,000	\$1,643,033
3. Housing and/or rental (n=27 & 28)	\$198,000	\$187,508
4. Recreation, tourism, accommodation and/or food services (n=11 & 9)	\$250,000	\$132,000
5. Health and social services (n=15 & 14)	\$75,000	\$133,414
6. Arts, culture and communication (n=20 & 19)	\$42,808	\$41,549
7. Other (n=2)	\$236,099	\$233,228

¹⁹ The differences in median revenues and expenditures per type of cooperative are statistically significant according to the Kruskal-Wallis Test. Chi-Square=29.02, d.f.=2, p<0.001 for the revenues and Chi Square=61.62, d.f.=2, p<0.001 for the expenditures.

²⁰ These differences in median revenues and expenditures per language used are statistically significant according to the Kruskal-Wallis Test. Chi-Square=15.37, d.f.=1, p<0.001 for revenues and Chi-Square=17.53, d.f.=1, p<0.001 for expenditures.

²¹ These differences in median revenues and expenditures per provinces are statistically significant according to the Kruskal-Wallis Test. Chi-Square=9.40, d.f.=3, p<0.05 for revenues and Chi-Square=15.17, d.f.=3, p<0.01 for expenditures.

To these three breakdowns we can add the comparison of organizations' revenues and expenditures according to the seven main areas of activities. This shows that co-operatives involved in trade, financial and insurance activities have the largest median revenues and expenditures. At the other end of the spectrum are co-operatives involved in the area of arts, culture and communication that report very modest median revenues and expenditures.

Paid Employees

The importance of the economic activity of the co-operative sector in Atlantic Canada can be measured in financial terms, as we have done above, but it can also be assessed by looking at the size of the human resources mobilized by these organizations. The number of paid employees (those issued with a T4 slip for income tax purposes) varies widely from 0 to 750 among the responding co-operatives, with the median value being 3. The average number of employees is 23.5 but this measure of central tendency is in this case influenced by outliers. Some other ways to talk about these results are to say that 2/3 of co-operatives have 10 or less employees and that 80% of co-operatives have 25 employees or less.

Overall, in the 289 co-operatives who responded to this question we find 6,817 employees working in the co-operative sector. The breakdown by province is presented in Table 24 below. These figures can involve some double-counting as an individual might work part-time for more than one co-operative.

Table 24
Co-op Employment by Province (N=289)

Province	Cumulative Number of Employees	# of Co-ops Responding
NB	2,887	99
NL	806	23
NS	2,524	130
PEI	600	37
Total	6,817	289

Missing: 7

In general, housing co-operatives have no paid employees. Co-operatives responding in French, those from New Brunswick, as well as financial co-operatives are statistically more likely to have more than 25 employees. For instance, 43% of co-operatives responding in French have more than 25 employees and this is the case also for 41% of financial co-operatives. Again, this is related in part to the strong presence of *caisses populaires* in New Brunswick.

We can estimate from the data collected in this study that approximately 40% of employees in the co-operative sector in Atlantic Canada are working full-time and approximately 60% are working part-time (less than 30 hours per week). This is a realistic estimate given that, for instance, cashier positions in financial co-operatives and retail co-op stores often have part-time hours.

Contributions to the Community and Organizational Capacity

Co-operatives are community-owned enterprises and it is expected, to some degree, that they are well integrated into their milieus and that they give back to and participate in the community. In this study, we find that 41% of responding co-operatives report some form of non-monetary support or involvement in the community, such as writing letters of support on behalf of a project (Table 25). Financial co-operatives are the most likely type of co-operative to do so (in a proportion of 55%).²² Co-operatives from Newfoundland and Labrador are providing support to their community in a proportion of 67%, while only 34% of those from Nova Scotia report doing the same (Table 26).²³

Table 25
Community Support by Type of Co-operative (N=268)

		TYPE			Total
		Co-operatives	Housing Co-operatives	Credit Unions & Caisses Populaires	
Community Support	Yes	42.0%	18.9%	54.5%	41.4%
	No	58.0%	81.1%	45.5%	58.6%
Total		100.0%	100.0%	100.0%	100.0%

Missing: 28. Chi-square=11.65, d.f.=2, Cramer's V=0.21, p<0.005.

Table 26
Community Support by Province (N=268)

		PROVINCE				Total
		New Brunswick	Newfoundland and Labrador	Nova Scotia	Prince Edward Island	
Community Support	Yes	41.7%	66.7%	33.9%	54.5%	41.4%
	No	58.3%	33.3%	66.1%	45.5%	58.6%
Total		100.0%	100%	100.0%	100.0%	100.0%

Missing: 28. Chi-square=9.91, d.f.=3, Cramer's V=0.19, p<0.05.

Monetary donations to community organizations, individuals or events are fairly common with 59% of responding co-operatives reporting such donations. Significant differences exist in this regard depending on language, province of location, and type of co-operative. Co-operatives responding in French are more likely to provide a monetary donation (83% versus 54% for co-operatives responding in English).²⁴ Nearly all financial co-operatives (95%) make these donations, compared to 25% of housing co-operatives.²⁵ It is in Newfoundland and Labrador where we find the co-operatives most likely to make a monetary donation, with 90% of them doing so as compared to only 47% for those based in Nova Scotia.²⁶ The median amount

²² This difference in providing support to the community by type of co-operatives is statistically significant, with Cramer's V=0.21, p<0.005.

²³ This difference by province is statistically significant, with Cramer's V=0.19, p<0.05.

²⁴ This difference by language is statistically significant, with Cramer's V=0.23, p<0.001.

²⁵ This difference by type of co-operatives is statistically significant, with Cramer's V=0.43, p<0.001.

²⁶ This difference by province is statistically significant, with Cramer's V=0.29, p<0.001.

donated last year was \$3,000. Collectively, the 145 contributing co-operatives self-identified in the survey gave over \$2,771,000 to their communities in Atlantic Canada.

In-kind donations of goods or materials are also frequent, with 36% of responding co-operatives making such donations. Financial co-operatives most often make such in-kind donations (56%) while housing co-operatives rarely do (5%).²⁷ The median dollar value of these in-kind donations is reported at \$1,750 annually.

Business or professional services are also being donated by a limited proportion of responding co-operatives (17%). This is more common among financial co-operatives and does not occur in any of the responding housing co-operatives. The median dollar value of these professional services is reported at \$2,000 annually.

Obviously, with regards to contributions (of one kind or another) to the community, financial co-operatives which are larger and richer organizations have a greater capacity and propensity to give than other types of co-operatives. Housing co-operatives, which tend to be smaller, are more narrowly focused on serving the housing needs of their members as could be expected.

We also asked about collaboration with other co-operatives, a value much emphasized within the co-operative movement. The results in this regard are mixed, with 26% of responding co-operatives reporting no collaboration, 27% reporting a small amount of collaboration, 25% reporting moderate amount, and 22% reporting a lot of collaboration.

Co-operatives responding in French are more likely than those responding in English to report a lot of collaboration (Table 27).²⁸ A lot of collaboration is also common (46%) among financial co-operatives (Table 28). By province (Table 29), a lot of collaboration is reported in New Brunswick (30%) and PEI (29%). To some degree this is indicative of the isolation versus strong networking of the co-operatives in Atlantic Canada. Co-operatives in general tend to be more isolated (less active in a collaboration network) when they are responding in English, not active in financial services, and located outside New Brunswick and PEI.

Table 27
Collaboration with other Co-operatives by Language (N=277)

Collaboration with other co-operatives, credit unions or caisses populaires	English	French	Total
No collaboration	30.0%	11.1%	26.4%
Small amount of collaboration	31.4%	11.1%	27.4%
Moderate amount of collaboration	25.1%	22.1%	24.5%
A lot of collaboration	13.5%	55.6%	21.7%
Total	100%	100%	100%

Missing: 19. Chi-square=48.15, d.f.=3, Cramer's V=0.42, p<0.001.

²⁷ This difference by type of co-operatives is statistically significant, with Cramer's V=0.30, p<0.001.

²⁸ This difference in the collaborative behavior by language in favor of French-speaking co-operatives is strong and statistically significant with Cramer's V=0.42, p<0.001.

Table 28
Collaboration with other Co-operatives by Type of Co-operative (N=277)

Collaboration with other co-operatives, credit unions or caisses populaires	Co-ops	Housing Co-ops	Credit Union / Caisse Populaire	Total
No collaboration	34.6%	26.5%	1.6%	26.4%
Small amount of collaboration	30.2%	32.4%	16.4%	27.4%
Moderate amount of collaboration	18.1%	38.2%	36.1%	24.5%
A lot of collaboration	17.0%	2.9%	45.9%	21.7%
Total	100%	100%	100%	100%

Missing: 19. Chi-square=55.17, d.f.=6, Cramer's V=0.32, p<0.001.

Table 29
Collaboration with other Co-operatives by Province (N=277)

Collaboration with other co-operatives, credit unions or caisses populaires	New Brunswick	Newfoundland	Nova Scotia	P.E.I.	Total
No collaboration	19.0%	25.0%	35.5%	14.7%	26.4%
Small amount of collaboration	22.2%	25.0%	31.5%	29.4%	27.4%
Moderate amount of collaboration	28.3%	40.0%	18.5%	26.5%	24.5%
A lot of collaboration	30.3%	10.0%	14.5%	29.4%	21.7%
Total	100%	100%	100%	100%	100%

Missing: 19. Chi-square=22.33, d.f.=9, Cramer's V=0.16, p<0.01.

While collaboration is generally not extensive, we find only 12% of responding co-operatives report that collaboration is problematic (i.e., a moderate to serious problem) with other co-operatives. Thus collaboration with other co-operatives does not seem to pose major problems in principle and is practiced (at least to some degree) by 74% responding organizations.

Finally, we probed the internal capacity of the organization in areas such as administrative systems, IT, software or databases. In many cases (especially for housing co-ops), this question does not apply and only 186 co-operatives responded to these questions. Of these, 78% state that these areas are not a problem or are a small problem. On the other hand, 22% of responding co-operatives experience moderate to serious problems in this regard. Financial co-operatives are those with the most capacity, with 46% of them reporting not a problem in these areas.²⁹

Respect for the Internationally Acknowledged Co-operative Principles

The Canadian Co-operative Association suggests that organizations that call themselves co-operatives should operate according to seven co-operative principles. Those principles are: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information of members; co-operation among co-operatives; and concern for community. We asked a series of questions about awareness, adherence, and monitoring with regards to these seven principles.

²⁹ This difference in internal capacity by type of organization is statistically significant, with Cramer's V=0.25, p<0.001.

On a 1-to-4 scale, we measured the awareness of organizations with regard to these principles. About 5% of co-operatives admitted being not at all aware of these principles, while at the other end of the spectrum just over 28% report being very aware of them. Overall, we find that over 2/3 of responding co-operatives are aware or very aware of the principles. The financial co-operatives report a greater degree of awareness with 53% saying that they are very aware of the principles.³⁰

The adherence to the principles presents, in a large majority of 69%, “not a problem” for responding co-operatives. This proportion was not significantly different based on the type of co-operatives, the language used, nor the province of location of the organization.

To probe further into the seriousness of the adherence to the principles, we asked if any group within or outside the organization (such as the board of directors, management, members or a federation/association) is monitoring the adherence to the principles. The results largely show that this is the task of either (or both) the board of directors and management. These two groups are identified by more than 60% of responding co-operatives as monitoring the adherence to the seven principles. In contrast, less than 40% of the responding co-operatives identify members or a federation/association as charged with this monitoring responsibility.

This trend was fairly stable across provinces, but we find that in housing co-operatives the members are more likely to be identified (in a proportion of 57%) as having a monitoring role in adherence to the seven principles, compared to other types of co-operatives.³¹ External monitoring by a federation or an association is more frequently reported by co-operatives responding in French (48% versus 26% in co-operatives responding in English)³² and among housing co-operatives (52%).³³

Education of both members and the public about co-operation is one of the fundamental principles of the co-op movement. Overall, about two thirds of the responding co-operatives (61%) educate their members, but only one third (32%) say that they educate the public. The education of members is most frequent among housing co-operatives (standing at 90%).³⁴ Co-operatives using French to complete the questionnaire are significantly more likely to engage in the education of the public than those who used English (50% versus 28%).³⁵

Aside from educating the public, co-operatives can engage in advocacy activities regarding social issues, or more generally participate in the development of public policy. This, however, is not a very common occurrence, with only about 18% of responding co-operatives saying that they partake in public policy development processes.³⁶ Co-operatives responding in French (13%) and those from New Brunswick (14%) seem a little less inclined to engage in these kinds of activities, but these differences are marginal.

³⁰ This difference based on type of co-operative is statistically significant, with Cramer's $V=0.24$, $p<0.001$.

³¹ This difference based on type of co-operative is weak but statistically significant, with Cramer's $V=0.14$, $p<0.05$.

³² This difference in external monitoring based on language of the questionnaire is significantly different, with Cramer's $V=0.21$, $p<0.01$.

³³ This difference based on type of co-operative is statistically significant, with Cramer's $V=0.19$, $p<0.005$.

³⁴ This difference on the education of members by type of co-operative is statistically significant, with Cramer's $V=0.18$, $p<0.005$.

³⁵ This difference by language is statistically significant, with Cramer's $V=0.24$, $p<0.001$.

³⁶ Perhaps most co-operatives are leaving this responsibility to councils and federations?

In recent years, there has been in Canada increasing concern for extended accountability and for the impacts of business activities on the environment. In response to these concerns, some organizations have begun to report (in one format or another) on their social and environmental impacts on their members or the public at large. This is often referred to as “multiple bottom-lines” reporting.

One would hope that these practices are increasingly permeating co-operatives as these organizations are generally assumed to be more responsive to community concerns than more traditional, for-profit businesses. We find in this study that 39% of responding co-operatives report on their social impacts but that only 18% report on their environmental impacts, possibly because the expertise needed for this second type of reporting might be more difficult to obtain.

Co-operatives responding in French are much more likely than those responding in English ones to report on social impact (66% versus 32%).³⁷ Half (50%) of financial co-operatives are reporting on social impacts, which is a higher proportion than in other types of co-operatives, especially housing co-operatives (12%).³⁸ Reporting on social impact is also more common in New Brunswick (49%) than in other provinces of Atlantic Canada.³⁹ As for the low reporting of environmental impacts, it is relatively evenly distributed regardless of language used, type of co-operative, or province of location.

CONCLUSION

This preliminary analysis on the results of our survey provides some baseline information on co-operatives and credit unions in all four provinces of Atlantic Canada. Since this study is not a complete census of co-operatives, it is therefore hazardous to try to estimate precisely the global size and contributions to the region by the sector.

Nevertheless it is obvious, based on what has been reported here, that the co-operative sector is a significant player in the social economy of Atlantic Canada. The co-operative sector, like the non-profit and voluntary sector examined by Rowe (2006), is extremely diversified and it is likely that the interest and/or problems of large credit unions are not necessarily the same as those of small co-operatives active in the area of arts and culture, for instance. Yet, the importance of the co-operative sector for the economic and social development of communities in Atlantic Canada calls for a greater attention to the adoption of government legislations, policies and regulations that are adapted to the realities and the cultures of co-operatives.

³⁷ This difference based on language in the reporting of social impacts is statistically different, with Cramer's $V=0.28$, $p<0.001$.

³⁸ This difference in reporting social impacts by type of co-operatives is weak but statistically significant, with Cramer's $V=0.17$, $p<0.01$.

³⁹ This difference in reporting social impacts by province is weak but statistically significant, with Cramer's $V=0.17$, $p<0.05$.

While an examination of the policy context for co-operative development and operation lies outside the focus of the present work, this survey provides sufficient information to make a case for government policies that are friendly to co-operatives. Both the federal government, through agencies like ACOA, and the provinces, through their regulatory authority on co-operatives and their general responsibility for stimulating socio-economic development, would be well advised to pay closer attention to the world of co-operatives in Atlantic Canada. Other researchers associated with the Social Economy and Sustainability Research Network will undoubtedly explore this issue further. It is the hope that the descriptive analyses provided in the previous pages will help them in this task.

REFERENCES

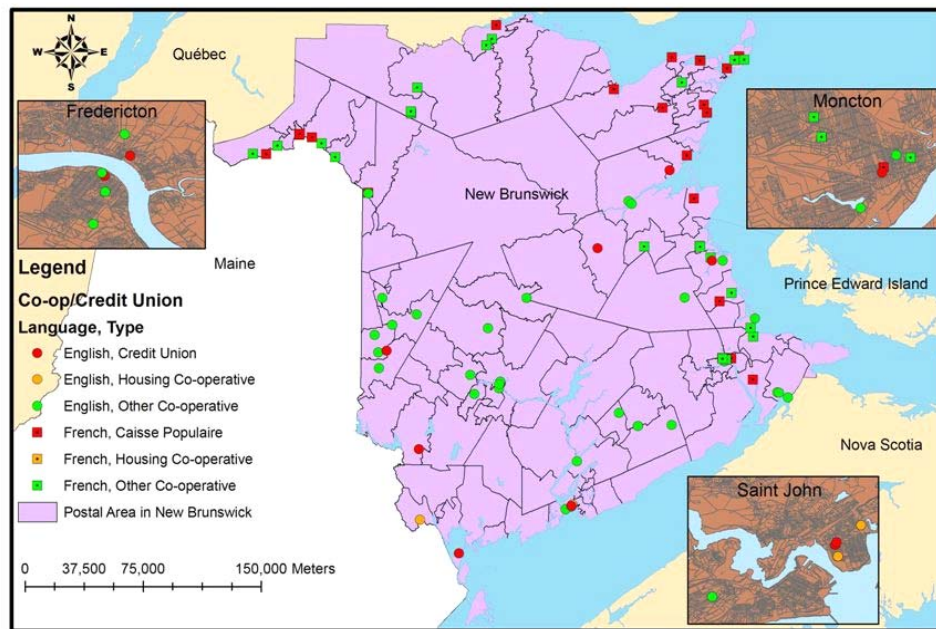
- Berdhal, L. et al. (2003). *Cornerstones of Community : Highlights from the National Survey of Nonprofit and Voluntary Organizations*. Ottawa: Statistics Canada, Cat. No. 61-533-XIE.
- Bouchard, M.J., Ferraton, C. and V. Michaud (2006). *Base de données sur les organisations d'économie sociale, les critères de qualification des organisations*. Montréal, Chaire de recherche du Canada en économie sociale, UQAM, no. R-2006-02.
- Bouchard, M.J., Ferraton, C. and V. Michaud (2008). *Base de données sur les organisations d'économie sociale, la classification des activités économiques*. Montréal, Chaire de recherche du Canada en économie sociale, UQAM, no. R-2008-01.
- Leclerc, A. (2007). *Analyse de l'exercice de réflexion du Mouvement des Caisses Populaires Acadiennes sur la démocratie coopérative*. Paper presented at the First International CIRIEC Research Conference on the Social Economy, Victoria, BC, October 22-25, 2007.
- Paxson, M.C., Dillman, D.A., and Tarnai, J. (1995). "Improving Response to Business Mail Surveys." In *Business Survey Methods*, eds. B. Cox *et al.*, New York: Wiley, pp. 303-316.
- Rowe, P. (2006). *The Nonprofit and Voluntary Sector in Atlantic Canada: Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations*. Toronto: Imagine Canada.

APPENDIX: MAPS

These maps provide an illustration of the distributions of the responding organizations in Atlantic Canada. Maps 1 to 4 provide a geographic distribution by language and type of organizations. Maps 5 to 8 emphasize the density of organizations by postal code area. Maps 9 to 12 illustrate at once both density and type of organizations. Maps 12 to 16 illustrate employment density. Maps 17 to 20 focus on revenues.

MAP 1:

Survey of Cooperatives & Credit Unions– New Brunswick, 2007



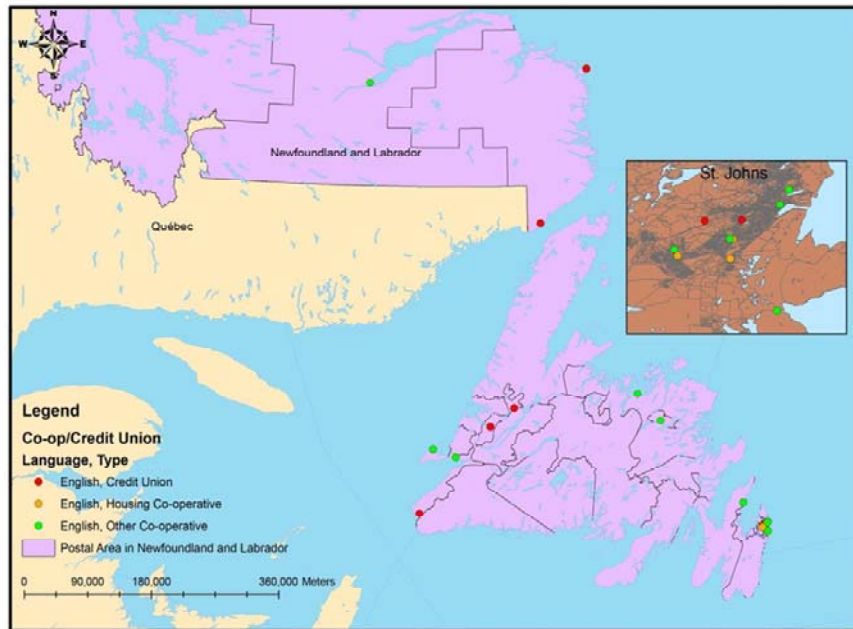
Social Economy and
Sustainability Research Network



Partenariat sur l'économie
sociale et la durabilité

MAP 2:

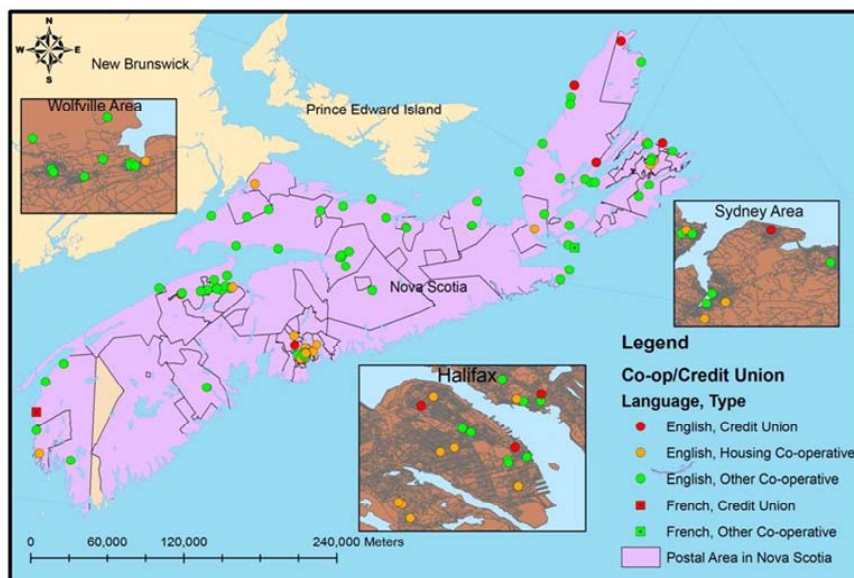
Survey of Co-operatives & Credit Unions – NL, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 3:

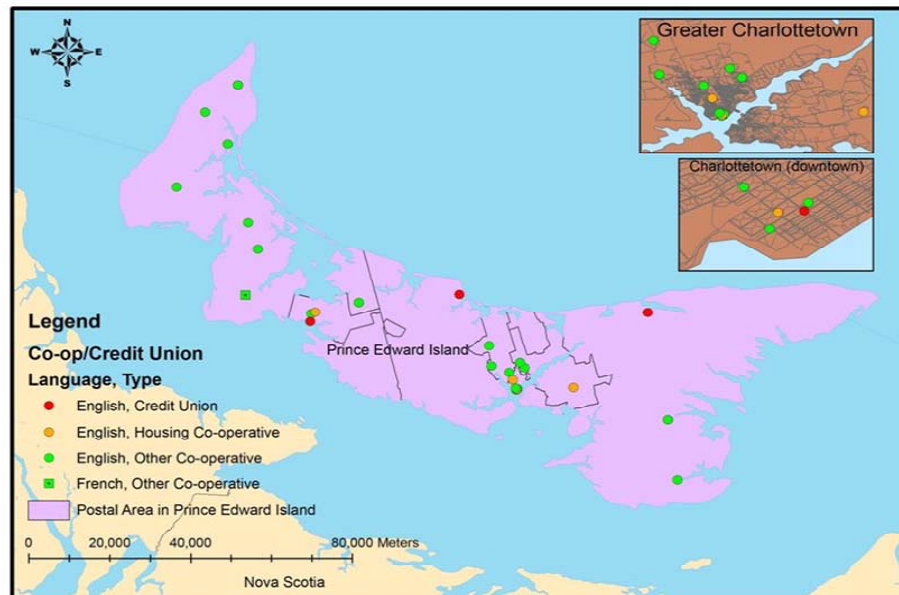
Survey of Co-operatives & Credit Unions – Nova Scotia, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 4:

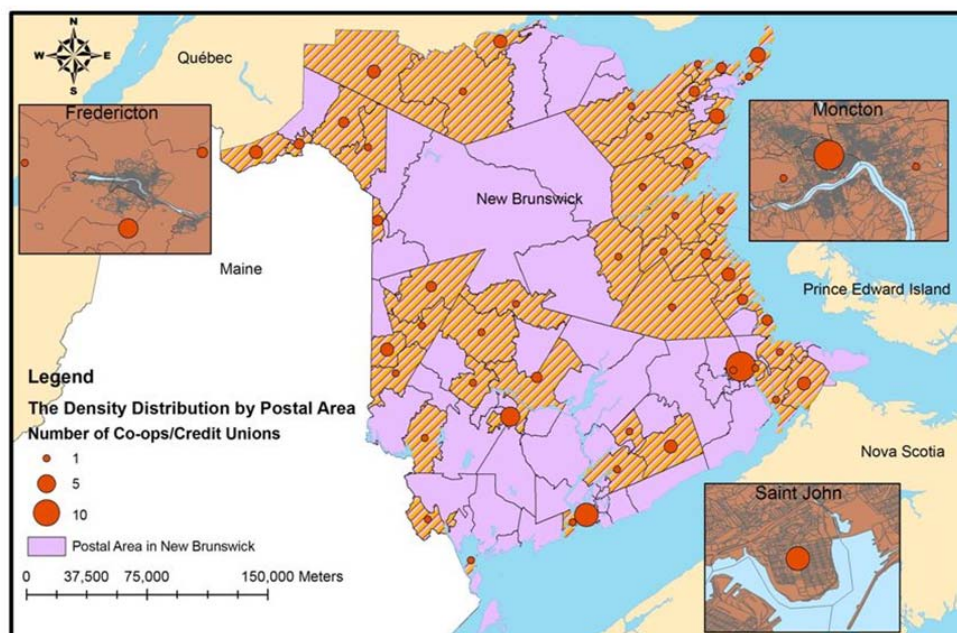
Survey of Co-operatives & Credit Unions – PEI, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 5:

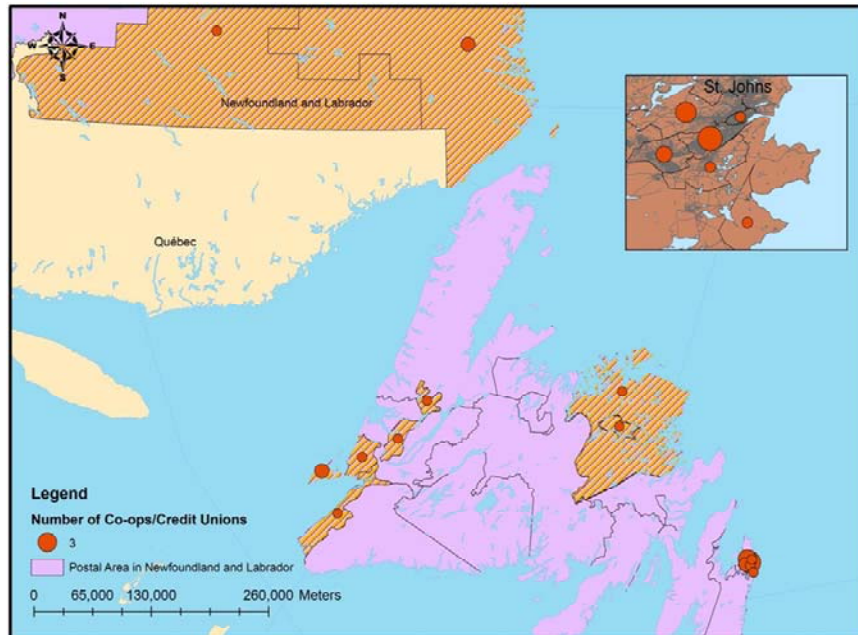
Density of Responding Co-ops & Credit Unions - New Brunswick, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 6:

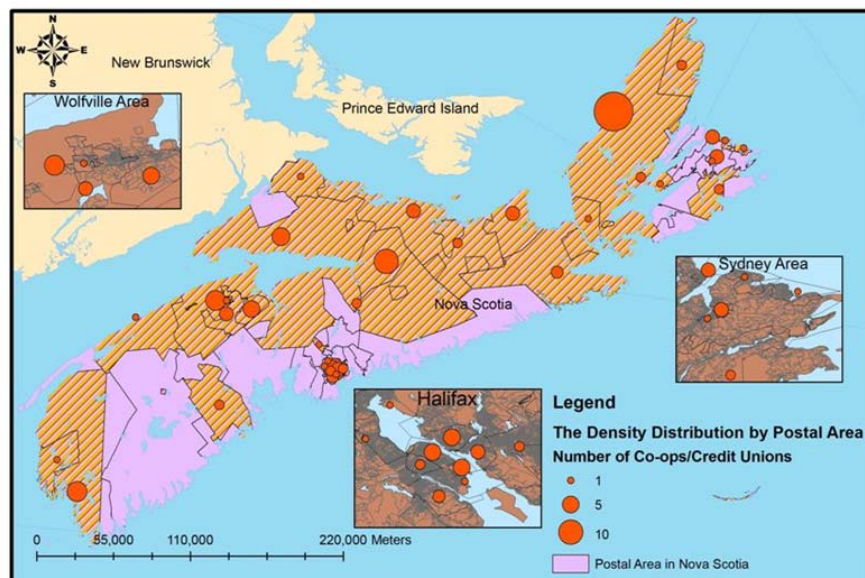
Density of Responding Co-ops & Credit Unions – NL, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 7:

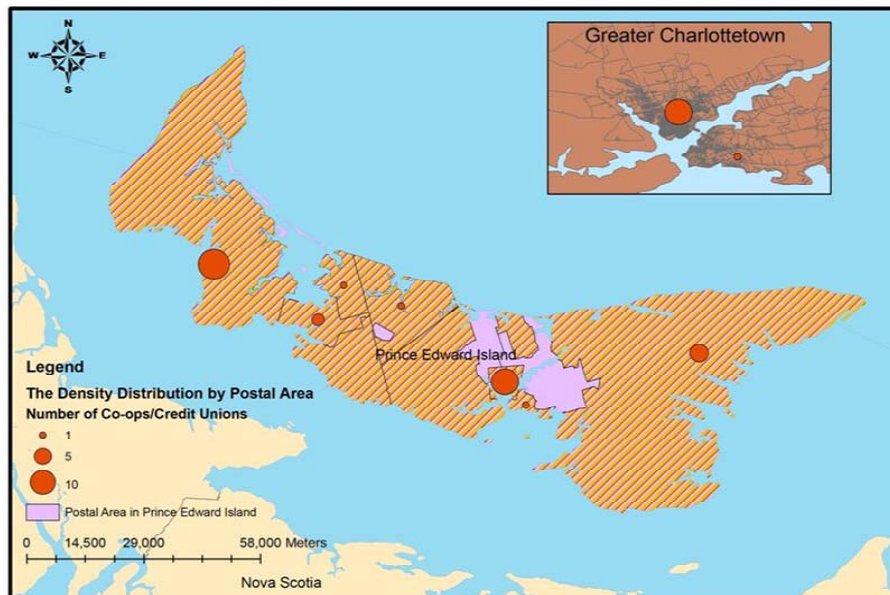
Density of Responding Co-ops & Credit Unions – Nova Scotia, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 8:

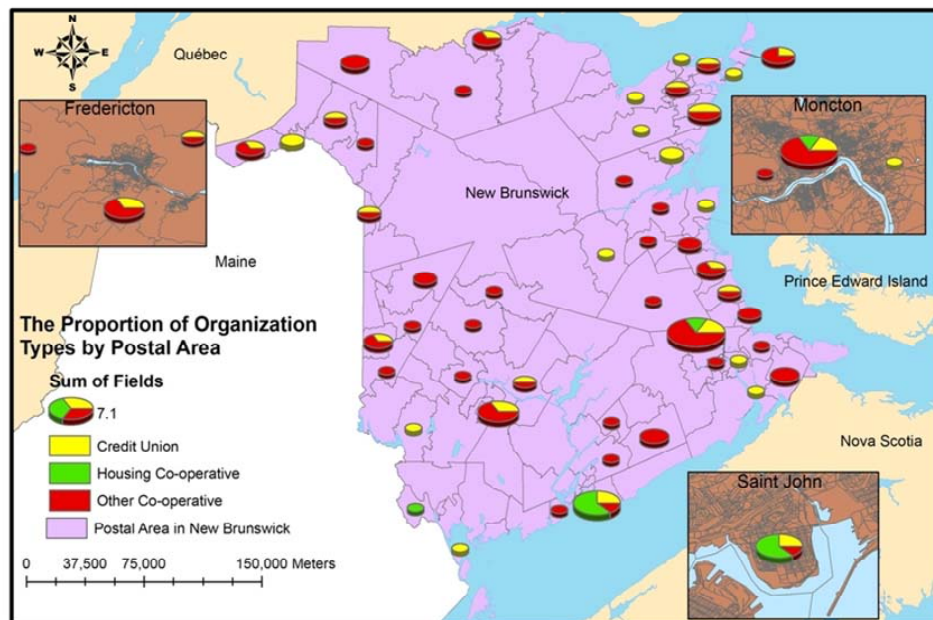
Density of Responding Co-ops & Credit Unions – PEI, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 9:

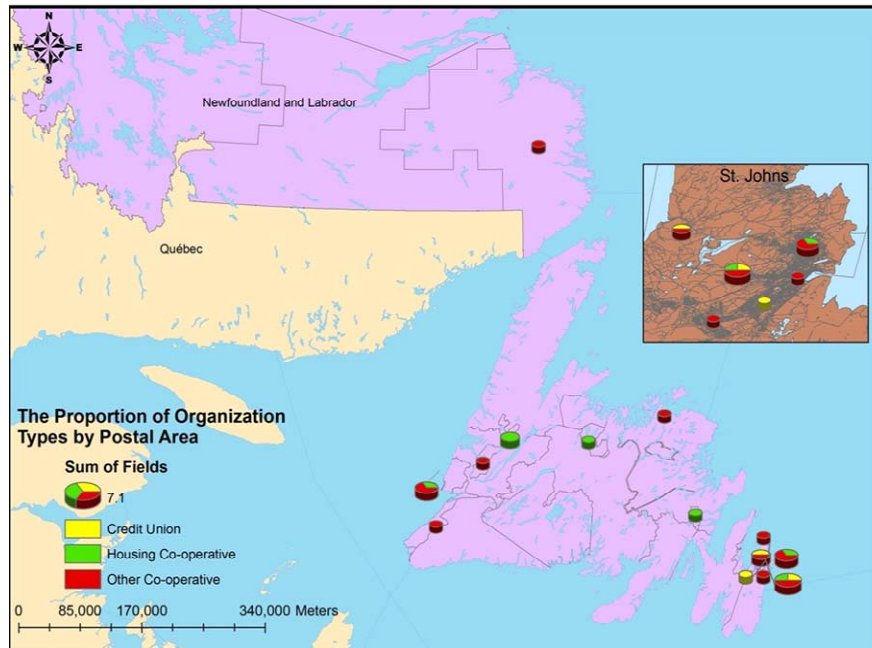
Proportion and Type of Organizations – NB, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 10:

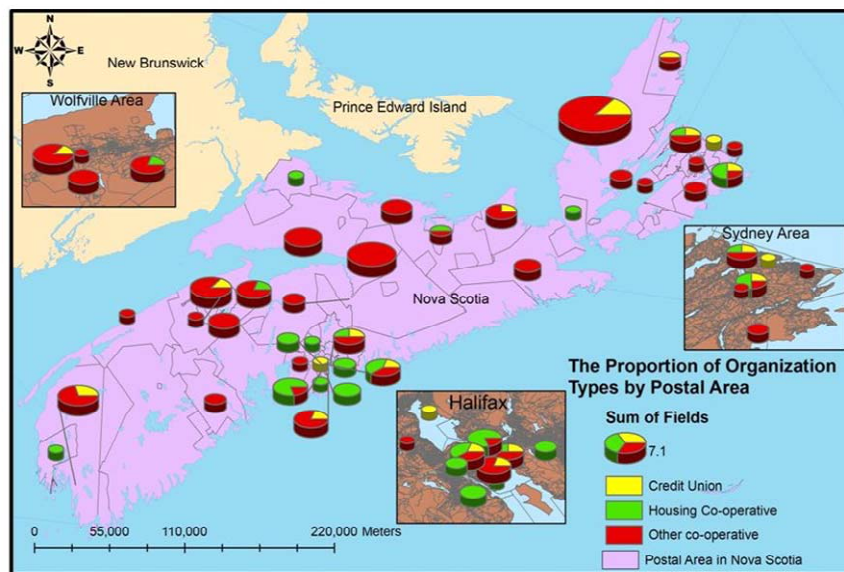
Proportion and Type of Organizations – NL, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 11:

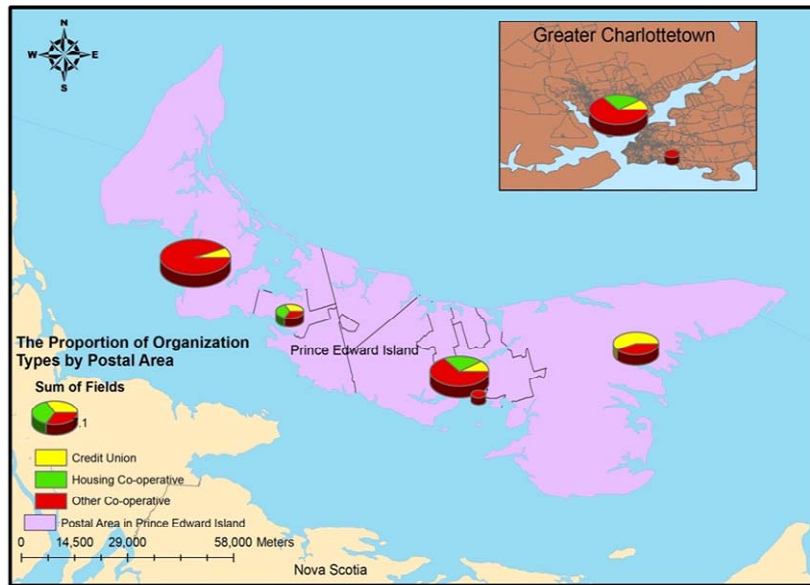
Proportion and Type of Organizations – NS, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 12:

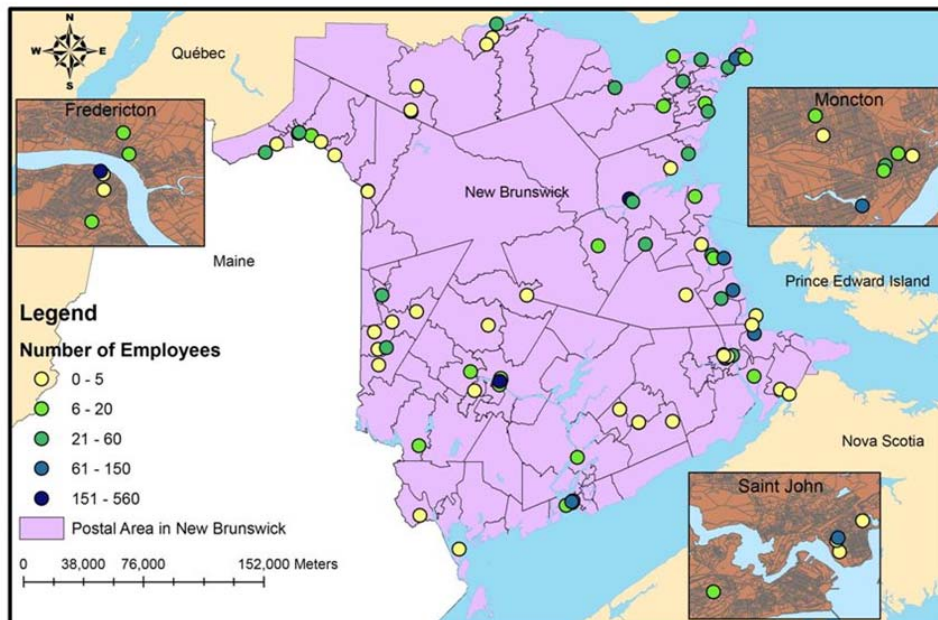
Proportion and Type of Organizations – PEI, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 13:

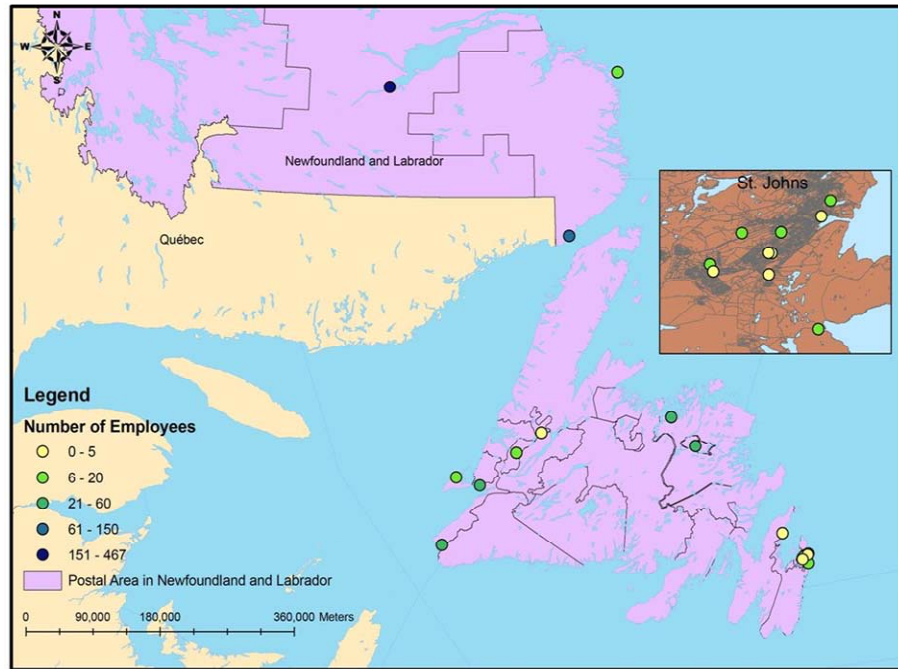
Employment Density – NB, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 14:

Employment Density – NL, 2007



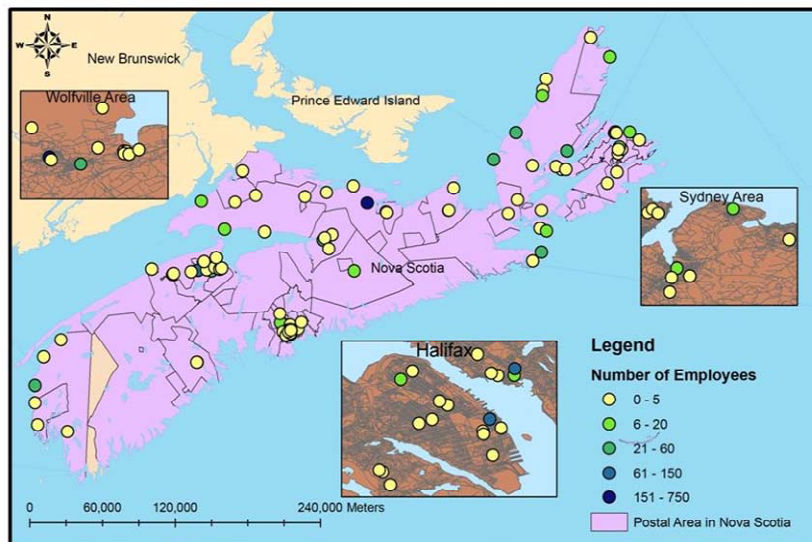
Social Economy and
Sustainability Research Network



Partenariat sur l'économie
sociale et la durabilité

MAP 15:

Employment Density – NS, 2007



Social Economy and
Sustainability Research Network



Partenariat sur l'économie
sociale et la durabilité

MAP 16:

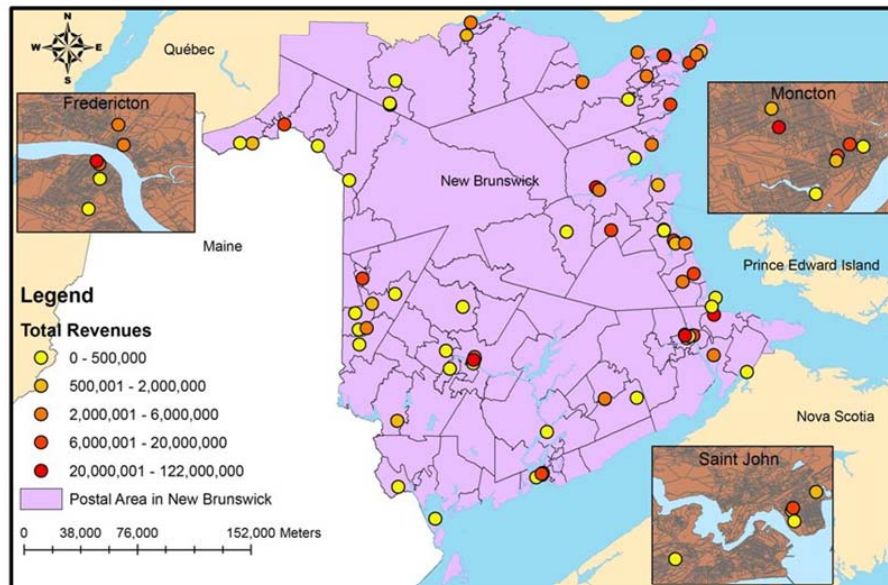
Employment Density – PEI, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 17:

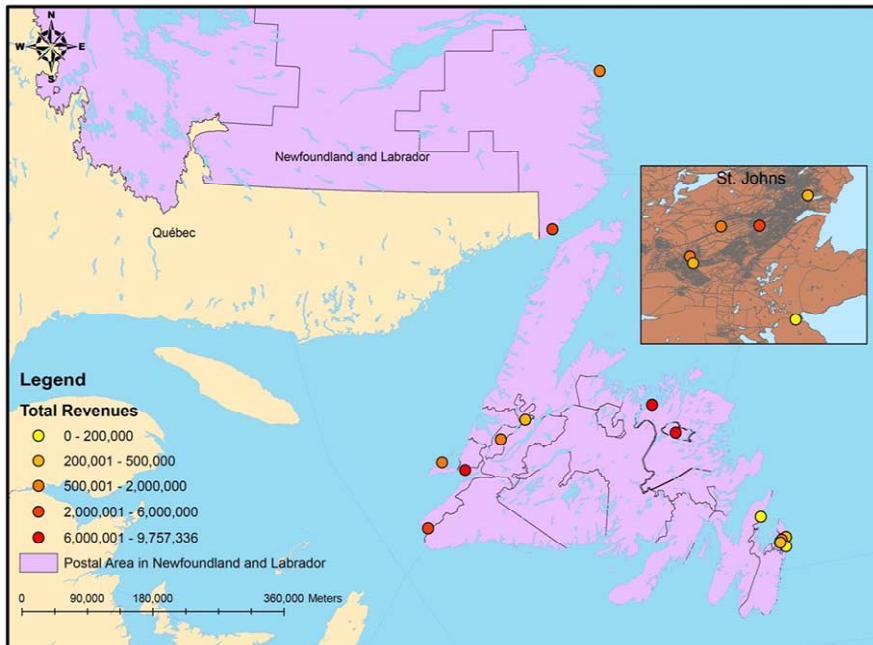
Revenues of Organizations – NB, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 18:

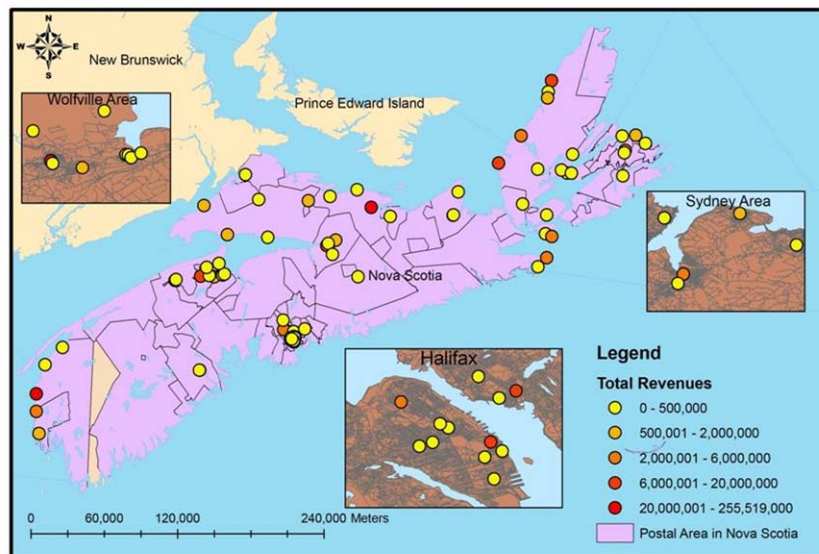
Revenues of Organizations – NL, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 19:

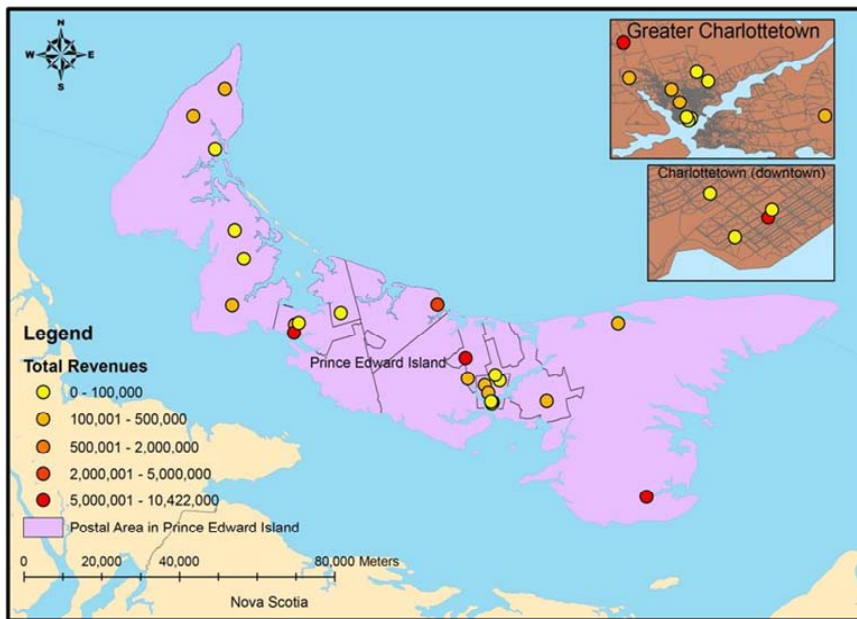
Revenues of Organizations – NS, 2007



Social Economy and Sustainability Research Network  Partenariat sur l'économie sociale et la durabilité

MAP 20:

Revenues of Organizations – PEI, 2007



Social Economy and
Sustainability Research Network



Partenariat sur l'économie
sociale et la durabilité

Working Paper Feedback

A. Please let us know what you found helpful in this Working Paper.

Include Paper # _____

B. How could the Working Paper Series be improved?

C. Is there anything that needs to be changed in this Working Paper?

D. Your name and contact info (optional)

Send to:

Noreen Millar, Network Coordinator
c/o Research House, Mount Saint Vincent University
Halifax Nova Scotia B3M 2J6 Canada
Tel: 902-457-6748 Fax: 902-457-5547
E-mail: seproject@msvu.ca

SES/ÉSD Network Research Goals

- Contributing to the theory and practice of social economy in the Atlantic region
- Internal bridging, bonding, mentoring & capacity building
- Encouraging use of the “social economy” as a framing concept in the region
- Linking Atlantic partners with other parts of Canada and the world

SES/ÉSD Network Research Themes and Questions

Conceptualizing & describing the social economy in Atlantic Canada

- What does the social economy look like? What needs does it address?
- How can we best capture this sector conceptually?
- What, if anything, makes it distinctive or innovative? How interconnected are its facets, & to what effect?
- What are the characteristics of social economy organizations?
- What are the implications for government policy?

Policy inventory and analysis

- How are different understandings of “social economy” reflected in government policy?
- What needs are not being met, & what changes are needed in regulatory environment?
- What indicators can we develop to aid in policy development?

Community mobilization around issues of common concern (natural resources; food security; inclusion and empowerment)

- Do social economy organizations contribute to social inclusion, the democratization of the economy, & empowerment?
- What inputs are needed to overcome obstacles & build capacity?
- What can we learn from research on mobilization around food security, empowerment & inclusion, community management of natural resources & energy?

Measuring and Financing the Social Economy

- What can social accounting, co-operative accounting, social auditing, & other techniques contribute towards a better understanding of the work and contributions of social economy organizations?
- Where do social economy organizations obtain the financing that they need?
- What do social economy organizations contribute toward financing the social economy?

Modeling & researching innovative, traditional, & IT-based communication and dissemination processes

- How can social economy actors best communicate?
- What can our Network team members contribute by developing & modeling processes and techniques?
- What can be gained from exploring technology as an equalizer vs. technology as a barrier?



Network Director:

Dr. Leslie Brown, Professor, Sociology/Anthropology, Mount Saint Vincent University

Network Co-Directors:

- Mr. Seth Asimakos, Manager, Saint John Community Loan Fund
- Ms. Penelope Rowe, Chief Executive Officer, Community Services Council Newfoundland and Labrador
- Dr. Luc Thériault, Professor, Sociology, University of New Brunswick

Sub-node Coordinators:

- SN1: Mapping and Policy Analysis
Dr. Luc Thériault, Professor, Sociology, University of New Brunswick, Fredericton, NB
- SN2: Mobilization : Inclusion and Empowerment in the Social Economy
Dr. Irené Novaczek, Director, Institute of Island Studies, University of Prince Edward Island, Charlottetown, PEI
- SN3: Mobilization : Food Security and Community Economic Development
Dr. Patricia Williams, Assistant Professor, Applied Human Nutrition, Mount Saint Vincent University, Halifax, NS
- SN4: Mobilization : Natural Resources and Livelihood
Dr. Omer Chouinard, Professeur, Sociologie, Université de Moncton, Moncton, NB
- SN5: Financing and Measuring the Social Economy
Dr. Sonja Novkovic, Associate Professor, Economics; and Dr. Judith Haiven, Associate Professor, Management, Saint Mary's University, Halifax, NS
- SN6: Communication Practices and Tools
Ms. Penelope Rowe, Chief Executive Officer, Community Services Council Newfoundland and Labrador, St. John's, NL; and
Dr. Ivan Emke, Associate Professor, Social/Cultural Studies, Sir Wilfred Grenfell College, Memorial University of Newfoundland, Corner Brook, NL

Network Coordinator:

Noreen Millar, M.A.

<http://www.msvu.ca/socialeconomyatlantic/>