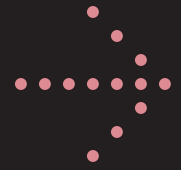




# CANADIAN CO-OPERATIVE ASSOCIATION



## CO-OPS IN ALBERTA



**C**o-ops pre-date the establishment of Alberta as a province and remain a vital part of the Alberta economy. Discontent farmers trying to sell their grain turned to co-operative marketing as a solution and used these same co-ops to purchase the products they required. Many like the United Farmers of Alberta are still active, while co-ops have emerged in new areas, such as health care and financial services, to serve urban residents.

In Alberta, 65 per cent of all adults have at least one co-op membership. There are approximately 800 non-financial co-ops and 57 individual credit unions in the province. The credit union system in Alberta provides comprehensive financial services to over 635,000 Albertans through 205 branches in 126 communities. While the number of credit unions has decreased, the number of points of service has increased and membership in credit unions continues to rise. Credit unions are a leading provider of personal, small business, and agri-business financial services in the province.

With a combined total revenue of \$2.4 billion (2005), the five top non-financial co-operatives in Alberta are United Farmers of Alberta, Calgary Co-operative Association Limited, Medicine Hat Co-op Limited, Western Drug Distribution Centre Limited, and Red Deer Co-operative Limited.

Electricity and gas distribution co-operatives have been quite successful in Alberta. At one time the rural electrification program carried out by co-operatives accounted for about 90 per cent of the electricity supplied to Alberta farmers. Rural electrification associations today represent more than 45,000 electricity users in the province. In the meantime, natural gas co-ops increasingly supply the rural areas of Alberta. In the 1990s these co-ops accounted for over 54 per cent of the total sales of energy co-operatives in Canada. Currently Alberta has the most utility co-ops (249) in the country and the largest number of seed cleaning co-ops (77).

### PROVINCIAL ORGANIZATION

The Alberta Community & Co-operative Association (ACCA) is one of a number of regional co-operative organizations in Canada providing service to its member organizations and promoting co-operatives. ACCA was formed in 2005 through the merger of the Rural Education and Development Association and the Co-operative Council of Alberta. Its purpose is to strengthen Alberta communities through co-operative and agricultural awareness, training and development. Members include agriculture, finance, insurance, consumer, supply, and service co-ops.

There are also a variety of sectoral federations which represent and serve groups of co-operatives, including the Association of Alberta Co-operative Seed Cleaning Plants, Alberta Federation of Rural Water Co-operatives, Alberta Federation of Rural Electrification Associations, Alberta Federation of Gas Co-ops, and two regional co-operative housing associations. Francophone co-operatives are represented by the Conseil Albertain de la Coopération, a committee of La Chambre économique de l'Alberta.

Providing rural Alberta with natural gas, the members of the Federation of Alberta Gas Co-ops Limited create the largest rural gas system in the world. The Federation is composed of 88 natural gas utilities throughout the province of Alberta, including 59 gas co-ops, 19 towns and municipalities, four counties, and six Native Bands. The first co-ops were incorporated in 1973 and they now serve more than 100,000 customers with over 100,000 kilometers of pipe. Members of the gas co-operatives are involved in the running of their co-op through providing rights of way for the pipes, volunteering time, labor and equipment putting in the systems, and participating on boards and committees.

The Alberta Community & Co-operative Association and the Conseil Albertain de la Coopération have been mandated to deliver co-operative development services in the province of Alberta, with funding from the Co-operative Development Initiative, a partnership between the Federal Government and the co-op sector..

### CCA MEMBERS IN ALBERTA

→ **Credit Union Central Alberta** is the provincial association and service organization owned by Alberta's credit unions. Based in Calgary, the Central's principal role is to support the financial stability of the credit union system by maintaining the system's provincial liquidity pool and providing wholesale banking services to credit unions, including lending, clearing, electronic payment services, and treasury services.

→ **Federated Co-operatives Limited** provides central wholesaling, processing, manufacturing, and administrative services to its more than three hundred retail co-operatives across Western Canada and Northwestern Ontario. It has regional offices, distribution centres, and feed plants in Calgary and Edmonton. Goods and services range from food, petroleum, and general merchandise to crop supplies, feed, and forest products. The *National Post's Business Magazine* included Federated Co-operatives on its list of Canada's top 500 corporations. FCL's 2005 net income of \$284 million ranked 56th overall, sales of \$4.8 billion ranked 76th overall, and the co-op's 34.6 per cent return on shareholders' equity ranked 18th overall. Nearly 6,000 people are employed in Alberta retail co-operative stores and their branches and distribution centres. In addition Federated Co-operatives' retail members returned \$96 million of equity in cash to their members last year, bringing the five-year total to \$460 million.

→ **United Farmers of Alberta**, formed in 1909, is based in Calgary, and is one of Canada's largest agricultural co-operatives. It has more than 106,000 active members. With 35 farm supply stores and 120 petroleum and fuel outlets located throughout the province, UFA offers a wide range of products and services for farms, ranches, homes and businesses in Alberta, BC and Saskatchewan. UFA employs over 1,100 people and is Alberta's 34th largest company. UFA recently added grain handling systems, computerized feeding systems and a complete product line for intensive livestock operations.

→ Started in 1956, **Calgary Co-operative Association** has now become one of the largest retail co-operatives in North America. Formed for the benefit of its member-owners, Calgary Co-op offers groceries, petroleum, pharmacy, travel and liquor services to 413,000 members from its 22 retail shopping centres. It is committed to serving the needs of its members and contributing to the vitality of the local economy. Calgary Co-op employs more than 4,000 people, making it the fourth largest non-government employer in the Calgary area. Charitable contributions for 2003 surpassed \$1.6 million. Calgary Co-op was named "Best Grocery Store" for the fifth year in a row in the *Calgary Herald's Reader's Choice Awards* for 2005. Calgary Co-op is a member-owner of Federated Co-operatives Ltd.

→ Two national co-operatives provide services to the province's credit unions. **The CUMIS Group**, headquartered in Burlington, Ontario, provides a comprehensive portfolio of insurance, retail and wealth management products to Canadian credit unions and their members. Its Strategic Solutions Group researches, develops, and uses cutting-edge tools and best practices to assist credit unions with their business goals and challenges. **Concentra Financial** (formerly Co-operative Trust Company of Canada), a co-operative owned by the Canadian co-operative community, also provides corporate trust, personal trust, mortgage and deposit services to credit unions and others in Alberta.

→ **The Co-operators Group Limited** is the largest general insurance company in Alberta with over \$250 million in annual sales. With 118 offices throughout the province, The Co-operators is present in most Alberta communities. It protects 124,000 drivers, 107,000 homeowners, 21,000 farms, and 18,000 businesses in the province. The Co-operators is the largest, wholly Canadian-owned multi-product insurance company in Canada, with assets exceeding \$6.5 billion. It is a group of Canadian companies that provides a variety of insurance services, financial security products, investment counselling, and property management and development services. The Co-operators Group Limited is owned by 37 Canadian co-operatives and like-minded organizations. In 2006, it was named one of the 50 best employers to work for in Canada by the *Globe and Mail Report on Business* for the fourth consecutive year.



- The **Canadian Worker Co-operative Federation**, headquartered in Calgary, is the national voice of worker co-operatives in Canada. It is committed to the development and expansion of worker-owned or multi-stakeholder co-operatives and the promotion of democracy in the work place. Strong working relationships have been developed with the large worker co-op sector in Quebec and with the US worker co-op federation. The Federation owns and manages Tenacity Works, a worker co-op development fund designed to finance worker co-operatives and provide leverage to obtain conventional financing. It works in conjunction with a Worker Co-op Developers Network, which helps develop new co-operatives.
- The **Co-operative Housing Federation of Canada** is the national voice of Canada's co-operative housing movement. CHF Canada is owned, controlled, and financed by its members. Founded in 1968 to represent housing co-operatives, the organization helps members to create and maintain successful co-operative communities. CHF Canada strives to build a strong, democratic co-operative housing movement in Canada, and advocates for better housing conditions in Canada and around the world. In Alberta there are two regional federations — Northern Alberta Co-operative Housing Association and Southern Alberta Co-operative Housing Association — which provide important services to co-op housing members.
- In the East Peace River region, the member-owned **East Peace Water Co-op** brings piped water into the homes of members. In the past, farmers and other residents in Northern Sunrise County have been dependent on dugouts and trucking their drinking water supply from filling stations. One of the larger water co-ops in Alberta, it operates in an area east of Peace River where the communities of Harmon Valley, St. Isadora and Three Creeks are located. In 1996, in conjunction with Northern Sunrise County, the co-op embarked on a nine-year project to pipe drinking water to country residents. It received funding support through the Rural Municipal Green component of the Infrastructure Canada-Alberta Program (ICAP). Piped water has improved health and has meant that some area residents such as seniors will be able to continue living independently and comfortably.
- **Aldergrove Housing Co-operative Ltd** is a town-house complex with 34 units, located in Edmonton. The co-op is committed to providing secure, family-oriented and affordable housing. Members are dedicated to their community, the principles of co-operation, and developing a sense of neighbourhood. Every member of Aldergrove Housing Co-operative serves on one of four committees — Membership, Finance, Maintenance, or Policy. No co-op housing has been built in Alberta since 1992, when the federal government cancelled the program. Co-op housing costs 40 per cent less to operate than comparable public housing — a direct result of volunteers in the co-op *doing for themselves*.

### LOCAL CO-OPS OF INTEREST

- The **Multi-Cultural Health Brokers Co-operative** in Edmonton is a unique worker co-op of mostly foreign-trained health professionals who provide culturally appropriate health services to immigrant and refugee families in Edmonton. The 16 workers serve as brokers between newcomers and the health system and help families in the Chinese, Vietnamese, South Asian, Filipino, Arabic and Spanish communities to access important services. Each year, more than 10 per cent of the families with newborn babies in Edmonton receive care and support from this co-op. The Multi-Cultural Health Brokers Co-op is a member of the Canadian Worker Co-operative Federation.
- **Area T Oil Spill Co-op** received the media spotlight in the summer of 2005 for its efforts in cleaning up the massive oil spill on Alberta's Lake Wabamun. Members of the Area T Oil Spill Co-op are all volunteers from local oil companies. They work under the umbrella of the Western Canadian Spill Services and receive annual training to operate and maintain the equipment stationed in the area. While all oil companies are legislated to have access and training to oil cleanup equipment, other industries, such as trucking companies have also come on board with the oil spill co-op even though they are not mandated to do so. Companies that are not a part of the co-op can access the equipment for a fee.



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