

## **B.C.- Alberta Social Economy Research Alliance (BALTA)**

### **Research Proposal – Project D8-2009**

**A. Title: Credit Unions and Rural Reinvestment – Phase B (D-8)**

**B. Cross-cutting: SERC 3 and SERC 2**

**C. Co-leads: Stewart E. Perry (CCCR) and Sean Markey (Simon Fraser Univ.)**

**D. No other researchers or organizations involved.**

**E. Brief description of project and its proposed objectives, outputs, and outcomes:**

This proposed project is a follow-on of D-5, a study of the role of credit unions (CUs) as financiers of the social economy in BC and AB. That project made four case studies, two of relatively large (urban) CUs and two of small (rural CUs). A follow-on is now planned to gain additional insight into the role, specifically, of smaller (rural) credit unions.

#### **Objectives:**

There are two major objectives: (1) to further illuminate the situation regarding smaller CUs in rural communities through carrying out limited and focused telephone interviews with two or more officers of several small CUs in AB and BC to gather additional data on their activities relevant to financing social economy initiatives; (2) to explore the possibility of a regional workshop of CUs to consider their role as financiers of the social economy.

#### **Outputs:**

(1) A discussion paper would be developed that explores the current and potential role of credit unions vis a vis the social economy, with a specific focus on smaller credit unions and communities. This discussion paper would draw on the findings from both phases A and B of the credit union research (Projects D5 and D8). The discussion paper would be input for the proposed roundtable congregation, but would also be circulated widely through credit union networks to stimulate thought and discussion on the issue.

(2) A presentation of the situation of the smaller CU would be prepared for possible publication in Making Waves.

(3) A preliminary plan for a congregation of CUs to explore together both what they are currently doing and what they might do further as social economy financiers. This plan would be submitted for funding to the Co-op Secretariat and/or other potential funders like VanCity, likely as sponsored by an Alberta CU.

#### **Outcomes:**

(1) Systematic BALTA collaboration with the CU sector.

(2) Increased attention by the CU sector in AB and BC re issues in financing the social economy

(3) Research article on smaller CUs and the social economy

## **F. Purpose and Significance**

The research of the previous year identified interesting themes related to the opportunities and limitations for the smaller CU as an actor in the social economy. It is possible that smaller CUs may be looking to dimensions of the social economy as a source of competitive advantage—supporting community and economy in place. While some of the larger CUs will undoubtedly continue to expand their social economy role, the smaller CUs based in smaller communities will be responding to what is happening in the larger settings and seeking to find their own way. These at least are tentative findings of the previous year's look at only two smaller CUs. But what innovations seem to be evolving and exactly how the influence process will work out is not sufficiently visible. Several telephone interviews/conversations with an additional number of small CUs will help to get a better grasp on this issue. Further, a roundtable event in which CUs of varying sizes can talk with each other about their roles in the social economy will offer additional insights. As a result of this work, we may need to consider a revision of our overall report of the previous investigations of both large and small CUs.

Note that this project will continue to relate to the three strategic questions itemized in the original BALTA proposal to SSHRC: 1. What are the scope and characteristics of the social economy in the Alberta/British Columbia region? 2. What are the scope and characteristics of social economy innovations that are achieving demonstrable results in the region? 3. What are the key issues, opportunities, and constraints for adapting and scaling up, all across B.C. and Alberta, whatever is working?

## **G. Participation of Student Researcher**

The student (Freya Kristensen) who has been a colleague in the previous year will be available for approximately 40 hours for follow-up activities. She can track down a few potential cases to explore, conduct some of the telephone inquiries (and make reports on them), and perhaps also seek out additional literature that we may have missed. Sean Markey will continue to provide supervision.

## **H. Research Activities, Plan of Work, and Timetable**

We will review the recent work in SERC 1 regarding capital markets for the social economy and seek mutual benefit in the course of this project. Further orientation to the context for credit union activity will be sought in the work of Peter Elson re the capital market for the social economy in the Ontario/Quebec context.

The student will construct a list of smaller CUs in BC and AB, and together all three of us will split up the telephone inquiries. However, Stewart Perry will likely conduct a major part of the inquiries and prepare the consequent report. This part of the work is expected to be completed by the end of September.

Perry will also carry out further explorations with AB CU (and any necessary others) in order to draft a preliminary plan for a CU roundtable. This will entail at least one trip to

Calgary (or other AB setting). A funding proposal would be targeted for completion by mid-November. That proposal will be submitted to the Rural/Co-op Secretariats and/or to potential CU funders. Follow-up of the path of the proposal will be made.

In the event that the roundtable/workshop is indeed funded, a further proposal will be submitted to BALTA to support participation in it and to derive research results from it.

### **I. Communicating the Results – Academic Community**

The projected revision of our report for Phase A will be submitted for publication in a relevant academic journal. A report specifically on small credit unions will be prepared for journal submission.

### **J. Communicating the Results – Practitioner Community**

The discussion paper would be input for the proposed roundtable congregation, but would also be circulated widely through credit union networks to stimulate thought and discussion on the issue. Aside from the previously mentioned article on small CUs to be submitted to Making Waves, a presentation will likely be made at the next CCEDNet conference that will include results from the previous phases of this work. In addition, it is expected that reports would be made at the proposed roundtable/workshop. And finally, reports will be submitted for the projected Social Economy Summit in 2010.

### **K. Monitoring Progress**

The co-leads of the project will maintain contact with the BALTA administrator to report on progress. Specific evaluation will include the following:

- a. An end of project evaluation involving project partners and participants to assess extent to which project objectives, outputs and outcomes have been realized
- b. Project final report to SERCs 2 & 3 and BALTA confirming results
- c. Student evaluations by both the student and supervisor using BALTA approved formats
- d. If the project leads to the roundtable workshop/congregation, this would provide an opportunity to assess longer term impact from the research.

### **L. Research Tools**

As in Phase A, interview outlines will be submitted for ethical review by SFU and BALTA. Sean Markey will monitor this.

### M. Budget and Contributions

Category	Requested of BALTA	Other Contributions
Student salaries	\$920	
Student benefits/overhead costs (if the student will be a CCCR hire, add 10.5% of the student salaries amount; if the student will be employed by another institution, add the relevant amount)	\$96	
Researcher Release Time		Stewart Perry: ca. 25 days (ca. \$7500) Sean Markey: ca. 15 days (ca. \$4,500)
Research Support Costs (e.g. supplies, communication costs)	\$100	
Knowledge Dissemination		
Travel	\$1,200 (Perry)	
<b>TOTALS</b>	<b>\$2,16</b>	<b>Est. \$12,000</b>

### Budget explanation

Student salary would be \$23/hr x 40 hours = \$920 (plus 10.5% of any applicable benefits through CCCR), for a total of \$1,016. Perry travel to AB for consultations with CUs there: \$1,200.