

B u i l d i n g a C o - o p e r a t i v e E c o n o m y



The Nova Scotia Co-operative Development System

BCCA AGM presentation – June 19, 2008

Overview

- **Mandate devolved from provincial Office of Economic Development in 1999**
- **MOU to outline relationship between NSCC, Office of Economic Development & Community Services department (2002)**



Revenue

| Revenue | 2006 |
|---------------------------|------------|
| Fee for service | \$ 128,358 |
| Membership dues | 26,425 |
| Development contributions | |
| Government | 200,000 |
| Other | 46,225 |
| Investment income | 38,110 |
| Miscellaneous | 2,610 |
| Total Revenue | 441,728 |

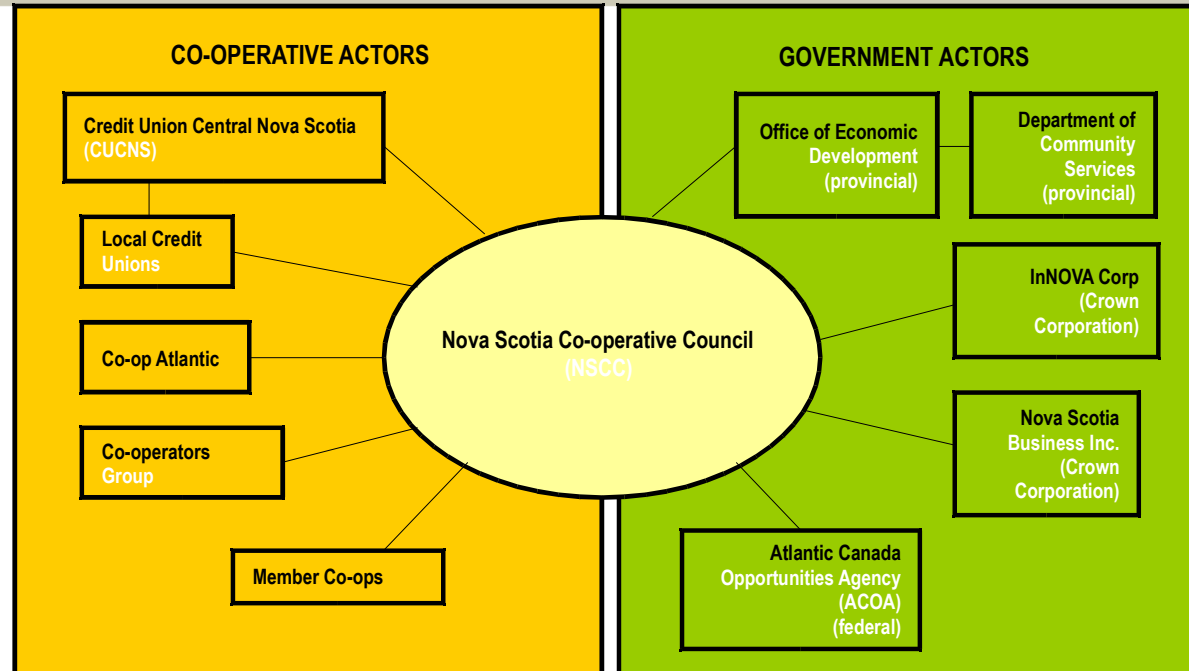
(NSCC Annual Report, 2005)



Building a Co-operative Economy



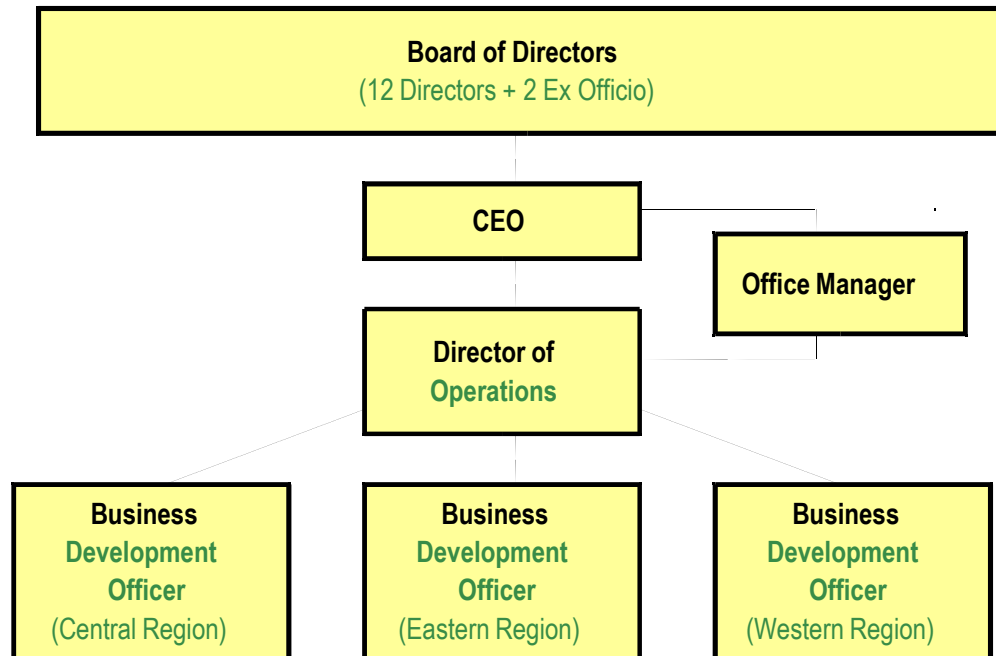
The NSCC Actor Network



Building a Co-operative Economy



NSCC Organizational Structure



Building a Co-operative Economy

N.S. Co-op Development System

- 1. Development Finance**
2. Human Resource Development
3. Planning, Advocacy & Research
- 4. Policy & Governance**
5. Community Economic Development
6. Accountability & Evaluation



Building a Co-operative Economy



1. Development Finance

- **Community Economic Development Investment Funds (CEDIFs)**
- **Small Business Loan Guarantee Program (SBLG)**
- **Short Term Equity Fund**
- **Micro Credit Program**
- **Atlantic Canada Social Economy Fund (Proposed)**



CEDIFs

- **A pool of capital raised in the community through the sale of shares & invested in new or existing local businesses**
- **Project must have a measurable financial return**
- **Currently 41 CEDIFs in NS; 61 offerings; \$25m in assets**
- **30% tax credit under the Equity Tax Credit program**
- **23 CEDIFS; 8 are co-ops (2007)**



Small Business Loan Guarantee

- **Joint initiative of NSCC, Credit Union Central of NS and Office of Economic Development (2003)**
- **Managed by NS Enterprises Co-operative**
- **Maximum \$150,000 loan with guarantee**
- **7-year loan period & interest rate no greater than 12%**
- **Credit union may require that the co-op work with a mentor**
- **Currently \$33m available in guaranteed loans**



Short Term Equity Fund

- **Partnership with Atlantic Canada Opportunities Agency (2004)**
- **New investment co-op: Equity in Nova Scotia Business Co-operative to govern & manage all investment activities of NSCC**
- **8 applications approved in first 2 years for \$248,000 in investments**
- **Additional debt financing primarily from credit unions**
- **Mentoring program offered**



2. Human Resource Development

- **Leadership – on board, in sector**
- **CEO of NSCC – entrepreneurial, commitment to co-op development**
- **Nova Scotia Co-operative Innovation Council**
- **Co-operative Youth Leadership Program**
- **Community College Curriculum**



3. Planning, Advocacy & Research

- **Planning - strategic approach through Business Plan**
- **Advocacy – need to work different angles at the same time**
- **Research – to support projects, proposals, general strategic planning and to members on a fee-for-service basis e.g., Renewable Energy Initiative**



4. Policy & Governance

- **Financial relationship with province based on contract**
- **Various other MOUs (InNOVA, Credit Union Central, NS Business Inc.)**
- **2 ex-officio positions on NSCC board for provincial reps**
- **Co-op Associations Act**
- **Provincial Community Development Policy**
- **Regional Community Development Act**



5. Community Economic Development & 6. Accountability & Evaluation

- **Clearly defined CED outcomes not identified but stats indicate sector success**
- **2005 –NCSS developed in-house accounting, data collection & analysis system to track economic impact of work in sector**



Key Factors

- **Devolution of co-op development to NSCC**
- **Well designed financial tools**
- **Supportive political environment**
- **Social entrepreneur as ED**
- **Evaluation & indicators**
- **Contextual factors – strong co-op history, small geography & population**



Questions

- **What are the gaps, opportunities & constraints for BC's co-op development system?**
- **How can we apply the strengths of the NS system in BC?**

