

COMMUNIQUÉ

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Micro Credit Pilot Project Ready to Go



CREDIT UNIONS ARE TAKING ON MICRO CREDIT PROGRAM AS PART OF A PILOT PROJECT WITH THE NOVA SCOTIA CO-OPERATIVE COUNCIL, RURAL SECRETARIAT, & ST. FRANCIS XAVIER UNIVERSITY

The Nova Scotia Co-operative Council, in partnership with the Rural Secretariat, St. Francis Xavier University, Credit Union Central of Nova Scotia, and local credit unions, is currently involved in piloting a credit union Micro Credit Program in three locations in Nova Scotia.

Micro credit is the extension of small loans (\$1,000 to \$10,000) to entrepreneurs in rural communities. The initiative is designed to stimulate and support the establishment and growth of small income generating enterprises in Nova Scotia.

These businesses are often referred to as an informal economy. This group often includes home based businesses, seasonal and part-time enterprises, and experimental start-ups.

The benefits of providing support to entrepreneurs located in rural areas vary; however, we believe that the financial and management assistance obtained through the program will provide entrepreneurs with the required supports to either start-up or grow their business during this crucial early stage of development.

In addition, we also recognize the positive effect these enterprises have on the economic health of their community through the development of social and community enterprises based on the needs of the local community.

The focus of the Micro Credit Program is on groups such as rural Nova Scotians, women, persons with disabilities, new Canadians, low income and/or disadvantaged, and youth.

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Co-ops Thriving in Nova Scotia

You will recall, I am sure, the article by John Jacobs in the Chronicle Herald on October 3, 2006. While we were fuming about it, our strategic decision was to leave the official response as a kick off to Co-op Week. At this time, we would like to share that response with you.

Letter to the Editor:

It would seem fitting on the

first day of co-op Week & Credit Union Day (October 15 to 22, 2006), to respond to John Jacob's article of October 3rd, Corporate-Think Co-opting Co-ops?

Rather than spend this short time responding to the many inaccuracies and out-dated information presented by Mr. Jacobs, I will take the time to present 'the facts'.

At a time when other sectors are struggling to survive, the co-operative sector in Nova Scotia continues with unprecedented growth.

During this past year, total sales in non-financial co-operatives increased by over \$1 million, posting total revenues of over \$742.2 million. Credit unions, our financial co-operatives,

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UP-COMING EVENTS

- ◆ **November 10** - NBSI Luncheon Series #4 at the Maritime Inn, Port Hawkesbury
- ◆ **November 11** - Remembrance Day
- ◆ **November 12 to 15** - Global Micro Credit Summit 2006 in Halifax
- ◆ **November 22** - Tatmagouche Centre Open House
- ◆ **December 25** - Christmas Day
- ◆ **December 26** - Boxing Day



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Brothers in Co-operation

Port Hood is a picturesque seaside community, nestled along the Western shore of Cape Breton Island and is a 40 minute drive from the Canso Causeway. Co-operation has long been a way of life in Port Hood and the community is home to two successful, albeit different, types of co-operatives that just happen to be managed by two brothers, David and Bernie MacDonald.

David MacDonald is a graduate of St Mary's University and was employed in retail and food service industries prior to becoming

manager of Port Hood Co-operative Limited approximately ten years ago. This co-op is a large consumer co-operative that was established in 1938 and has operated successfully since then. The co-op, which has over 1,000 active members and 17 employees, has successfully adapted to changes in the marketplace to meet the needs of its membership.

Bernie MacDonald, David's younger brother, has been active in a senior management capacity with Ceilidh Fisherman's Co-operative since its establishment in 1983, following the closure of the branch operations of a former

fish wholesale business. Ceilidh Fisherman's Co-operative is owned by over 100 fishermen from the Port Hood, Mabou, and Judique areas. The co-op, with its staff of up to 30 employees, purchases and markets its members catch which include lobster, snowcrab, tuna, and mackerel.

These two successfully managed co-operatives are significant employers and key economic organizations in their community. While the MacDonald brothers share and are proponents of co-operative principles, they do not share the same loyalty when it comes to hockey. Port Hood, of course, is home to hockey superstar Al MacInnis and hockey is taken very seriously here. While David is an avid Bruins fan, Bernie is a tireless supporter of the Maple Leafs. It goes to show that even co-operative advocates are only human!

Written by Shaun Shea, Business Development Officer



(LEFT TO RIGHT)
BERNIE MACDONALD, CEILIDH FISHERMAN'S CO-OP & DAVID MACDONALD,
PORT HOOD CO-OPERATIVE

"...WE ALSO RECOGNIZE THE POSITIVE EFFECT THESE ENTERPRISES HAVE ON THE ECONOMIC HEALTH OF THEIR COMMUNITY..."

Micro Credit Pilot Project Ready to Go Cont'd

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Under the program, the minimum lending amount is \$1,000 with a maximum loan amount set at \$10,000. Amortization periods range from 12 to 60 months and are dependant on the amount being borrowed and the client's ability to repay. Interest rates are set by the participating credit union.

Additional information on the pro-

gram can be obtained through contact with one of the participating credit unions:

- ✓ **Bergengren Credit Union** (Antigonish) - (902) 863-6600
- ✓ **Community Credit Union** (Amherst) - (902) 667-7541
- ✓ **iNova Credit Union** (Halifax) - (902) 453-1145

You may also obtain information through the Program Coordinator, Paul Crane, at (902) 429-3333 or via email at paulcrane@ns.sympatico.ca.

Visit the Nova Scotia Co-operative Council's website at www.nscopocouncil.ca for publications relating to this program or to request a brochure.

Written by Paul Crane, Program Coordinator

Port Hood Making Plans for RV Park

The Cape Breton community of Port Hood wants to invest in a new park for recreational vehicles to help boost tourism, create some seasonal employment, and better utilize its Sports Centre during the summer. The centre has a restaurant and fitness centre and would be ideal for indoor activities and concerts.

Port Hood RV Co-operative Limited, set up to develop the park, needs a minimum of \$400,000 to begin construction. The co-op is selling shares at \$5,000 each through a Community Economic Development Investment Fund (CEDIF).

The park will be located near the Sports Centre, adjacent to the Port Hood beach and will be managed by the Sports Centre.

The park will have 105 fully serviced sites. 50 percent of these sites will be available for seasonal rent, while the remainder will be for transient traffic. Work on the site is expected to start in April.

The park is expected to provide many benefits to the community. There could be 300 to 400 people living in Port Hood five months of the year who wouldn't be there otherwise.

This will make a big difference in local businesses, and they plan to create seasonal jobs.

Also, with the park's proximity to the beach, it is hoped that many tourists who might have bypassed the community will now spend time at the park.



RV PARK'S SITE MAP



Co-ops Thriving in Nova Scotia Cont'd

(Continued from page 1)

grew by seven percent. In 34 communities across Nova Scotia, a credit union is the *only* finance institution.

The sector as a whole is now a \$5 billion business, providing employment for 7,000 Nova Scotians.

We are incorporating on average 24 new co-operatives a year, which is more evidence of the strength of the co-operative model as a business model.

Co-operatives are emerging in all sectors and industries, and shortly will announce some major undertakings in health care and alternative energy.

Contrary to Mr. Jacobs assertion that 'co-ops need more public support and participation, and government policies that prioritize sustainable economic and social development', the co-operative sector in Nova Scotia is the envy of the country because we do in fact enjoy a positive relationship with govern-

ment and with the public at large. We receive no hand-outs or special treatment from government, nor do we ask for it. What we receive is favorable legislation, the inclusion in public policies, and an open door relationship so that business can grow and flourish where it is needed the most - across rural Nova Scotia.

Yes, co-operative ventures operate on the same business principles as any other business. Call that 'corporate thinking' if you like, Mr. Jacobs. Like any business, we must ensure that revenues cover expenses, and ideally have a little left over. Otherwise we wouldn't be 'in business', nor would we be able to finance the important community and social initiatives that have



become synonymous with the co-operative way.

Membership in co-operatives and credit unions grew by nine percent this past year. Today, some 300,008 Nova Scotians, or one in every three people, are members/owners of co-operatives and credit unions.

Why? Because co-operative businesses are owned by ordinary people, who are committed to keeping Nova Scotia's resources and profits at home, at work, in our local communities - where it rightly belongs!

Here's to setting the standards for business success! Here's to making a sustainable difference in Nova Scotia!

Written by Dianne Kelderman, CEO

A New Model for Agricultural Based Co-operatives

Farmer Owned Co-operative Energy Centres in Nova Scotia

Renewable energy, alternative energy, bio-energy, green energy; these are all similar terms for clean, non-polluting sources of energy that can replace similar amounts of non-sustainable, environmentally unfriendly energy from conventional fossil fuels. The urgency accorded clean energy, particularly in the wake of the Kyoto Accord, is resulting in



WIND TURBINES IN A FIELD ALSO USED FOR CROPS

the fervent growth of a global renewable energy industry. Most interestingly, the rural and agricultural regions are particularly advantageous for

the location of these energy generating facilities and local co-operatives are an excellent way to facilitate their development and ownership. The result is the development of distributed small scale energy production with the benefits flowing back to the local community and co-operative shareholders.

In particular the farm is well suited for the location of energy producing facilities. This is due to either their production of energy producing materials (various primary crops, such as corn and grain, or secondary products, including manure and plant waste) or the exploitation of naturally occurring phenomena, such as wind or solar power.

Examples of various farm based energy facilities include wind generated electricity, solar generated electricity, production of bio-fuels such as ethanol, methane, and bio-diesel, tipping fees for accepting waste food grade organics as supplemental feed stock for bio-gas production, and sale of 'carbon cred-

its' for GHG reduction.

Farm based energy centres are expected to change the entire face of traditional agriculture throughout the world. Farms of the very-near-future will integrate food production with energy production. In so doing, they will not only provide the world's food, but contrary to current practices, will make a substantial contribution to a higher quality and more sustainable environment. Farm economics will undergo substantial changes whereby energy production will provide a steady and

"FARM BASED ENERGY CENTRES ARE EXPECTED TO CHANGE THE ENTIRE FACE OF TRADITIONAL AGRICULTURE..."

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Want a Great Way to be Connected to the Co-operative Community?

How about a place to be linked with information on other co-operatives?

...Or a place to find out about current events in your area?

The Nova Scotia Co-operative Council has launched a new, re-designed website. Some of the many new features are:

- ✓ *Membership listing page - Send us the name of your organization, your contact information, and even a link to your website. We'll post it in a directory for others to access!*
- ✓ *Announcements and events pages - Send us a description of your announcements and up-coming events... we'll post them to get the message out to the rest of the co-operative community!*
- ✓ *Gallery pages - When your event is over, send us pictures and we can post it for everyone to view!*

The new website will also has many new publications, information on programs and services, pictures, links, and more! We're working to make our site the best it can be for you, our members.

Please visit www.nsko-opcouncil.ca to see our many improvements. If you would like to participate by sending us items for membership, announcements, or gallery pages, please contact Andrea Jackson at (902) 893-8966 or via email at nsko-opcouncil@eastlink.ca.

Help make the Nova Scotia Co-operative Council's website a truly unique link to the co-operative community!



A New Model for Agricultural Based Co-operatives Cont'd



WIND ENERGY ON FARMS

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stabilizing stream of income that will supplement traditional farm revenue long vulnerable to large commodity price fluctuations.

Experts currently warn that if the agricultural sector is going to be successful in taking ownership of energy production at the farm level,

we must act now during the transition from traditional to renewable energy sources or traditional energy companies and large multi-national agricultural corporations will dominate this industry in the same manner as it does the fossil fuel industry.

Are there opportunities for the Nova Scotia farm sector to participate in farm based energy production? Certainly so, with Nova Scotia's world class wind regime, the production of wind generated electrical power holds the most promise buoyed by the trading of carbon credits. Production of ethanol

from corn and grain may be in question since we are not big producers of these crops. Conversely, the digestion of manure and other organic by-products and/or waste to produce methane that can generate power for the grid does present local opportunities.

In Nova Scotia, issues surrounding the sale of electricity to the grid are currently halting the

development of farm based power facilities. Nova Scotia Power will only pay about 6.5 cents per kilowatt, per hour while the numbers indicate that this price will not support a sustainable business case.

In Ontario, the same situation existed and the agricultural community was mobilized to support the adoption of a standard offer contract resulting in a guarantee price of 11 cents per kilowatt, per hour.

As part of our alternative energy initiative, the Nova Scotia Co-operative Council is working towards adoption of a provincial renewable energy policy, resulting in development of distributed co-operative owned community and farm based 'green energy' resources.

For anyone interested in more information regarding co-operatively owned renewable energy facilities, give me a call at (902) 896-7293 or email me at bobwill@eastlink.ca.

Written by Bob Williams, Director of Operations