

## Cooperative Solutions for Alberta's Seniors

### The Problem

Alberta's strong economic growth and immigration has made it one of the youngest populations in western Canada, however it cannot escape the challenges of an aging population, in particular housing, home care, and health care. The Alberta Government and its agencies have developed a number of strategies to address the needs of seniors ranging from rationalizing costs for home care to ensure the longer term viability of these supports to experimenting with Alberta Capital Bonds for seniors' accommodations.

Creative solutions need to be found to meet the growing infrastructure needs of Alberta's seniors. Solutions that don't rely exclusively on government support and engage the capacity and creativity of seniors themselves in creating those solutions.

### The Cooperative Solution

Over the past several years, there has been a resurgence in the growth and variety of cooperatives in Alberta and across the world. Cooperatives are formed exclusively to meet the needs of their members. New types of cooperatives are being formed that increasingly consider some of the social and health care needs of their members.

Some of the innovations taking place in jurisdictions outside Alberta include

1. Multi-stakeholder cooperatives which have both seniors and home care workers as members, a structure which leads to a more balanced governance of potentially competing concerns.
2. Seniors housing cooperative housing facilities
3. Cooperatively owned health services which have proven to significantly increase preventive care measure and reduce costs short and long term health care costs.

Working in close collaboration with a range of organizational partners, the Alberta Community and Cooperative Association's Unleashing Local Capital initiative has helped establish a number of Opportunity Development Cooperatives; which allow for community members to direct their RRSPs into a locally owned and controlled fund that finances local business development. Some of the investments that have been completed or are under consideration include:

1. Seniors housing projects in smaller rural communities lacking local construction/development capacity
2. Health services infrastructure including Primary Care or Family Care clinics where the communities invest in and build the purpose built medical facilities for lease by Primary Care or Family Care Clinics

The Opportunity Development Co-operative could allow for both seniors, and the broader community to finance local solutions to meet housing and health care needs of the aging population. It would also provide a local investment vehicle that would enable communities to not only identify the best, and most efficient (low cost) solutions, as well as be a partner in the delivery of services. This could strengthen local economies, support procurement from local suppliers and create jobs, and allow for seniors to have more options. As per the latter, having more seniors housing could free up larger homes for younger families seeking to locate and work outside of the major urban centers.

The ACCA is also currently a partner in nationwide Elder Care project which is exploring strategies for cooperatives to meet the needs of our aging population. Specifically, how a franchise model could allow for to achieve an economy of scale in service delivery while maintaining the advantages of local member control and involvement

These are just some of the examples considered by communities exploring the possibilities of establishing their own Opportunity Development Cooperative. More important, they are arising without any specific promotion of such investment targets on our part, or in the absence of any specific government supports to encourage such developments. This indicates there is some thirst on the part of Albertans to support the development of new supports for seniors in their communities. We believe there is an opportunity to more consciously and actively align this resurgent interest in the cooperative model with Albertan seniors' growing needs, in a form of a Public-Cooperative Partnership.

### **The Approach**

How could such partnerships occur? One example may be to explore linking what we have learned with Unleashing Local Capital with the Government of Alberta issued Alberta Capital Bonds to support the development of seniors accommodations. From the experience we have gained supporting and training almost a dozen communities, equity campaigns around social issues will be more successful when more directly linked to specific seniors' accommodation in the bond buyer's community. People are more likely to invest if the benefits of their investment can be directly tied to their local community. While such localized equity campaigns can be more expensive in terms of transaction costs; one of the goals of Unleashing Local Capital has been to significantly reduce the transaction costs of localized securities issues. We are currently involved in developing a second phase of Unleashing Local Capital which will reduce these costs even further.

Based on the experience we propose the following next steps in conjunction with the Government of Alberta:

1. Explore the development of seniors' accommodations where local investment is directed through an Opportunity Development Cooperative in conjunction with similar guarantees behind the Alberta Capital Bonds. This would require no significant legislative or regulatory changes but rather the development of 2-3 pilot project that

are backed by the province. Following these pilots, a more refined project could be developed, *e.g.* bonds which combine the autonomy of the locally owned cooperatives share issues with some form of government guarantee. Initial explorations with the Agriculture Financial Services Corporation have taken place in these areas.

2. Exploration of the potential of the multi-stakeholder seniors care models which include franchise able model that can be scaled to work throughout the province. Evidently this would entail a close working relationship with Alberta Health, a possibility we would most welcome. Again, we would encourage the development of a potential pilot project, which would link the services of 3 or 4 existing smaller seniors care providers through a cooperative franchise model.
3. Engagement and outreach with communities interested in establishing Opportunity Development Cooperatives that could finance senior care projects (housing, homecare etc.). As previously mentioned there are a number of communities that have shown they have the resources, support, and enthusiasm to pursue this type of project. A series of outreach activities and workshops could put several, community financed and community led, projects into the pipeline.

These are just three potential strategies which, once piloted, could potentially be adapted to provide for a much wider range of seniors needs in the province. We would welcome the opportunity to explore the potential with whichever Ministries you think most relevant.

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