



## **CIPRIANI COLLEGE** OF LABOUR AND CO-OPERATIVE STUDIES

### **Co-operative Awakening!**

The co-operative movement, more so the credit union sector in Trinidad and Tobago and the Caribbean region has been labelled as a “sleeping giant”. We have seen many individual credits unions having a positive impact on the lives of thousands of citizens in the country (evidenced by the owning of homes and cars through affordable mortgage rates, and the funding of education for the members and their children).

The International Co-operative Alliance (ICA) at the recently concluded 33<sup>rd</sup> World Co-operative Congress explored the extent to which the co-operative identity can be further be utilized to position and strengthen the global movement. Whilst the congress has not yet made its final declaration, key points were raised around issues such Governance, Youth Involvement, Digitalization, Innovation and Co-operative Identity.

In 2020, the local cooperative movement had in excess of 3 billion in total assets with over 700,000 members. The issues identified by the ICA event are also pertinent to our sector, and demands that we develop a strategy to revitalize the sector, exploring the key success factors which can be replicated and modified for the benefit of current and future co-operators and wider society.

Locally, credit unions have to address issues related to internal self-governance, which have the potential to negatively affect public confidence in the sector, and are compounded by the outdated legislative infrastructure governing co-operatives. In fact, the 1971 Co-operative Societies Act has only undergone piece-meal revisions to address issues which have arisen. This failure to enact legislation specific to the credit union sector has not created an environment that fosters creativity and growth. The undertaking of a comprehensive legislative review, should seek to capture as much as possible, the vision for the sector over the next 20 to 30 years. Issues related to completely virtual operating co-operatives, internal and external governance in an online environment, virtual currency, compliance with the Co-operative Identity among other areas are vital to charting a path for the movement.

Another issue identified is Youth Involvement, particularly the low participation rate at both the membership and leadership levels. This in my view, poses a hindrance to the growth and attractiveness of the local sector. Without conducting detailed research, I estimate the average age of members in the movement to be above 50 years. Further, at the leadership level, I suspect that the average age is beyond 65 years. It should be noted, that having experienced persons at the elected leadership level is essential to its success, however, equally important is the need to have balance in terms of generational perspectives. Therefore, in planning for

the sector for the next 20 to 30 years, one should seek to capture and actively involve youths between 18 to 35 years at the decision-making strata of the sector. At the ICA World Congress, Hilda Ojall, Vice President (Africa) of the ICA Youth Network, said: *“We need to make the cooperative movement vibrant, we need to make it cool, we need to connect with each other...”*

Equally important for any business or co-operative to be sustainable, is the issue of digitalization. The adoption of technology and integration into business processes will not only increase productivity, but also expand the products and services offered to members, allowing for increased revenue which can be used for the benefit of members, and increasing the appeal of co-operatives to youths, among other benefits. Co-operation among co-operatives or Co-operative Strategic Alliances in this area is possibly the best strategy as technological investments are costly and require continuous monitoring and updating. The need to innovate is paramount, and must be considered in designing any national strategy for co-operatives; thus, according to Peter Drucker “Innovate or Die”.

Thus, co-operatives as a form business need to continuously evolve and be innovative with respect to products, services and operations if they don’t want to become irrelevant. The adoption of Co-operative Entrepreneurship business model approach may create a co-operative competitive advantage. This approach requires a shift in mindset of leaders, review and enhancement of the national legislative infrastructure and policies, the development of support systems to create an enabling environment and changes to operational practices.

Critical to this is the creation of a Co-operative Co-operation Network/Hub which can be facilitated by the Cipriani College of Labour and Co-operative Studies. This will involve Credit Unions (CU) supporting Non-Financial Co-operatives (NFC), well established Credit Unions supporting newly formed CUs and well-established CUs and NFCs supporting Junior Cooperatives; among other related strategies.

Further, a strong understanding and application of the Co-operative Identity will awaken the movement and help develop a sustainable strategy, and this can be aided by introducing this philosophy of co-operative identity into the education system via the formal curriculum. Let’s envision our co-operative sector in the year 2050 and prepare an all-inclusive plan to achieve this vision.

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