NEWSLETTER

The Second Time Round

The phrase 'the second time round' is becoming familiar in the Movement. It was the title of a paper presented by Roy Kershaw of the CLEAR Unit at the Plunkett Foundation's Industrial Co-operative Seminar held at Oxford last April. Roy argued that there are strong similarities between long-established retail societies and the new wave of industrial and service Co-operatives. But, he asked, would the latter learn from the former? Another paper was presented at the seminar by Malcolm Hornsby, a tutor at the Co-operative College, and this asked whether it was possible, that this time round, we could achieve a mutually beneficial relationship between consumer and producer Co-operatives which the Movement had failed to achieve the first time round.

CDA Forum

That Co-operatives should co-operate with other Co-operatives is the sixth of the ICA's re-stated principles. Encouraging closer relations between Co-operatives is one of the functions laid on the Co-operative Development Agency by Act of Parliament. On 28th March, the Agency held a meeting with representatives of all sections of the Movement. Historic? Time alone will tell. But some encouraging ideas emerged. One was that building Co-operatives, now numbering fifteen or so in the country should work more closely with housing Co-operatives. Another was that there should be closer collaboration between industrial and service Co-operatives and retail societies who could perhaps be their outlets. A further idea was that credit unions could possibly finance other forms of Co-operation.

At least the sectors of the Movement seem to be aware that 'the second time round' offers the opportunity to get right the relationships which were not got right the first time round.

"Horizontal Bonds"?

That grand old gentleman of British Co-operation and a President of the Society, Mr W. P. Watkins, has made his contribution to the debate on 'the second time round'.

In an article in a May edition of the Co-operative News he postulated the forms of closer co-operation between sectors of the Movement in this country. As in some other Movements, there was 'the absence or relative scarcity of horizontal bonds between the segmented movements.' He most graphically likened them to 'the staves of a barrel without the hoops'. Describing Le Groupement National de la Co-operation which embraces the French Co-operative Movement with its agricultural, consumer, credit, banking, housing, fisherman, workers' productive, artisans, traders and transport Co-operatives, he went on to suggest that the role of the British Co-operative Union could change. It seems that the 'second time round' for the Co-operative Union could see it moving away from its present structure and into a closer relationship with all sectors of the Movement which could weaken its historical affinity with consumer Co-operatives. We live in exciting times! Could the 1992 Congress President come from a Scottish Fisherman's Co-operative?

Co-operative Education Working Group

At a functional, rather than at a theoretical level, it is encouraging to see the Movement's sectors coming together in the Co-operative Education Working Group. Co-operative educationists from credit unions, housing, agricultural, retail and industrial co-operatives find that they have many common problems. Moreover, in the production of materials, there is sometimes wasteful duplication. The main objective of the Group is to catalogue existing materials, identify gaps in provisions and to try to remedy these.

Industrial and Service Co-operatives

The Industrial and Common Ownership Movement reports that in the first three months of 1980 32 new Co-operatives, using ICOM's model rules, were formed. If each of these Co-operatives had only the legally reguired minimum number of seven members, they would still represent a healthy growth in the number of co-operators prepared to stake their working lives on the precepts of self-help and mutual aid.

The CDA has carried out a survey into the education and training needs of industrial and service co-operatives. This revealed that, at this stage in their development, these co-operatives needed training rather than formal courses and that many of them preferred this to be in the form of in-service training. The implications of this are now being studied.

The Credit Union Sector

Along with multi-purpose community Co-operatives, found mainly in the Scottish Highlands and Islands, credit unions have comprised the Movement's smallest sector. But this is changing, thanks to last year's Credit Union Act. Between August 1979, when the Act was passed, and the following December, the Credit Union League of Great Britain received over 1,700 enquiries on how to form credit unions. Even before that, interest had been at a healthy level with over 500 enquiries in the first eight months of 1979.

Based at Skelmersdale, the Credit Union League, with only eight members of staff, now has the problem of how to translate that upsurge of interest into actual credit unions. A number of factors will assist, including education and training.

It was, therefore, most encouraging to learn from Len Nuttall, the League's Marketing and Development Officer, that he has prepared a seven-stage education programme for members of new credit unions. This includes 16 hours devoted to basic book-keeping which would seem appropriate. In credit unions one would expect book-keeping to be even more important than in other kinds of Co-operatives!

Co-operative Housing

Education also plays an important part in the Co-operative housing movement, among both primary and secondary societies. Moreover, sizable education grants - at least compared to those in other sectors - are made through the Co-operative Services Unit of the Housing Corporation. In the current year, these have amounted to £145,000.

At the Co-operative Services Unit is Brian Rose. Brian, who is a member of this Society, a past tutor at the Co-operative College and previously Education Officer to the Co-operative Housing Agency before its functions were transferred to the Housing Corporation, has recently revised 'Co-op Outlines'. These are a truly excellent set of training materials and were first produced in 1978. They provide a basic guide to those thinking of setting up housing Co-operatives or who have recently done so.

An interesting possibility in the area of Co-operative housing is whether a national federation will be formed. This was proposed at a meeting last April of the Standing Conference on Co-operative Housing. Such a federation would seem a natural step in the evolution of the housing movement but some reservations have been expressed. There are fears that it would be premature to try to establish a national body or that it would lack resources if it were established. However, such an organisation could help to create a channel of communication between the Co-operative housing movement and local authorities and government and also undertake pressure group activity. It is sad to note that almost all the Co-operative proposals for amendments to the Government's Housing Bill were unsuccessful. A national federation would also provide a forum for debate and the exchange of information and experience.

Co-operative housing excites controversy. One of the meetings in the last session of the

Southern and Metropolitan Region of the Society proved this. The speaker was Councillor John Kotz, Deputy Leader of Hackney Council. He favoured housing Co-operatives where they increased the housing stock but was opposed to them when they withdrew houses from the local authority sector because this meant that stock became imbalanced and less economic. The value of older properties, whose costs had been largely written off, could not be used to offset the higher costs of newer properties, if they were sold. Councillor Kotz was also opposed to "housing management Co-operatives" where ownership was retained by the local council but management and maintenance were handed over to tentants. The problems of management and maintenance of local authority housing had, in recent years, stemmed from inadequate funds and this problem was compounded when even more housing units were taken away from the municipal sector. In any event, a real Co-operative comprised members who both owned and controlled and in the management Co-operative the ownership was missing.

Not surprisingly, Councillor Kotz's address stimulated a lively discussion during which it was asserted that another reason for the problems of management and maintenance of some council houses was not only a shortage of funds but also the apathy of tenants. Sometimes they felt unable to influence such an important part of their lives - their homes. Management co-operatives were defended on the grounds that they gave this influence and that they also helped to decrease vandalism.

New Film

Members of the Society may like to know of a new film on a Co-operative subject. It is 'Michael Jones Jeweller', produced by the Open University for one of its System's Faculty Courses. First screened on BBC 2 in June, copies are now available through sale or hire from the Open University.

A jewellery business in the middle and upper price range seems an unlikely setting for a workers' co-operative but it is an enterprise which is showing a fair measure of success. The film deals factually with the Co-operative's operations and one sequence shows a meeting of members which declines to accept some Board proposals. The group dynamics of the Co-operative are well brought out and the film is recommended for all those who are interested in seeing Co-operative theory applied to different areas of operation.

July 1980 Rita Rhodes