

UAED Network
Background Brief

Condensed from source documents by
Julia Schwamborn, MA
UNBC Community Development Institute
December 2010

Profile: Vancouver City Savings Credit Union – Vancity

In its Statement of Values and Commitments as developed in 2000 and presented on its website, Vancity obligates itself to democratic, ethical, and innovative services as foundations for self-reliance and economic well-being of their membership. The focus is strongly placed on partnerships; on financial, social, and environmental sustainability for Vancity itself as well as its members' undertakings; and on creating opportunities both through financial and extended support services and through the creation of a positive work environment.

Our Values:

- Integrity – we act with courage, consistency and respect to do what is honest, fair and trustworthy.
- Innovation – we anticipate and respond to challenges and changing needs with creativity, enthusiasm and determination.
- Responsibility – we are accountable to our members, employees, colleagues and communities for the results of our decisions and actions.

(Vancity website)

Vancity operates since 1946, and, with 400,000 members and assets of \$14.5 billion, it is Canada's largest credit union (Vancity website. About Us.). As a financial cooperative, it is "owned by [its] members and accountable to [its] membership" (Vancity News Release). According to its website, Vancity is the "financial institution of choice for not-for profit organizations in B.C. – including societies, charities, unions, co-operatives and social enterprises" (Vancity website. My community).

Vancouver City Savings Credit Union (Vancity) is incorporated under the Credit Union Incorporation Act of British Columbia and its operations are subject to the Financial Institutions Act of British Columbia. Vancity serves members principally in the Lower Mainland of British Columbia and Victoria. Citizens Bank of Canada (the Bank), the principal subsidiary of Vancity, is federally incorporated and its operations are regulated by the Office of the Superintendent of Financial Institutions (OSFI).

(Vancity 2009: 6)

In striving for financial success and environmental success, Vancity emphasizes the importance of what they call the *social economy*, “a third sector of the economy that falls between the private sector (business) and the public sector (government)”, which is driven by social enterprises, cooperatives, and not-for-profit organizations. In concrete terms, this means that Vancity invests in the social economy through specifically developed financial products, partnerships with other like-minded organizations, and “investments [and granting programs] in targeted communities”. (Vancity website. My Community)

Moreover, Vancity is guided by its *Community Leadership Strategy*, which focuses on aligning business priorities with community needs relevant to four key areas of concern: “acting on climate change, facing poverty, growing the social economy and being accountable”. Having chosen the avenue of community partnerships, this financial institution delivers “matched savings programs, affordable housing initiatives, financial literacy outreach and other innovative projects to help move people out of poverty”. (Vancity website. My Community)

Corporate Governance

The Board of Directors is elected by the membership of Vancity and consists of nine members, who are elected annually and can serve up to four terms. Current Chair is Patrice Pratt. Board meetings are held up to ten times and no less than four times per year (Vancity 2010). The Board is obligated to protect Vancity, and therefore its members’ assets, and to always act in the best interest of Vancity, following a strategic long-term plan. An annual general meeting provides an opportunity for the general membership to witness and have a direct influence on Vancity business operations. (Vancity website. About Us. Governance.)

The Board of Directors is completely independent of Vancity management. The current management team features CEO Tamara Vrooman and six Vice President and Senior Vice President positions in charge of a variety of areas including, among others, Information Technology, Risk Management, Governance, Member Engagement, and Finance.

Working with Aboriginal Communities

The above mentioned values, emphasis on social economy, and especially the commitment to investing in targeted communities has led to the development of partnerships with and programs for First Nations and Aboriginal people in the area. Vancity operates in the traditional territory of the Coast Salish people and offers partnerships “to support community development and independence” (Vancity. Aboriginal Communities.). The institution targets individual wealth and economic advancement as a means to improve well-being in entire communities according to the principle that accumulation of wealth, attainment of life and financial skills, and the improvement of a community’s quality of life has to start with the individual and spread from there. However, Vancity also supports community-owned

businesses, real estate, and other assets to further economic development on a more comprehensive, communal level.

Working closely with First Nations communities, Vancity recognizes pressures as well as opportunities in recent developments towards increased control for the communities over their resources, assets, and services. The institution identifies a need for financial as well as social and human capital in order to overcome development barriers which originate in generations of poverty and marginalization. Vancity expressly tries to understand Aboriginal communities' needs and adopts a holistic approach to partnership and investment projects, involving various departments and experts with the goal of lending effective and efficient help.

Grants and sponsorships for community initiatives assist projects related to financial literacy, micro credit programs, and investment management support. In addition, Vancity supports housing solutions targeting everything from emergency shelters to home ownership on-reserve. Since provisions of the *Indian Act* for communal land-ownership prevent many First Nation people from getting a mortgage or a credit and building their own home, Vancity has established a program for mortgage-like loans for on-reserve individuals, who are given an opportunity to build personal assets. This program is delivered through the First Nations Market Housing Fund.

Finally, Vancity is committed to increasing the number of Aboriginal people on staff to improve community connections and widen the institutional perspective.

Vancity and UAED

Vancity serves a region with a large urban Aboriginal population. Beyond its on-reserve programs, the support for individual enterprises and entrepreneurs presents important economic development opportunities for urban Aboriginal individuals who have the potential to not only accumulate personal wealth and improve their own socioeconomic well-being but can also positively influence the wider urban Aboriginal community or their home communities. The belief that economic success starts with individuals is particularly meaningful for urban Aboriginal people, who are separated from their communities of origin and are lacking the communal organization and cohesion of rural Aboriginal communities. In urban settings, the Aboriginal population is more likely to be individualized and in need of individual support.

Through Vancity's numerous partnerships, urban Aboriginal individuals or groups have an opportunity to gain access to an array of valuable support that may otherwise be difficult for them to access. Furthermore, Vancity's support role goes beyond being a source of financial capital in that it provides investment advice and contributes to building a capacity basis among Aboriginal communities. Vancity's vision and values demonstrate an understanding of economic development in First Nations communities and their specific economic and legal situations, and shows openness to First Nations communities' approaches. Vancity's role of

building social capacity and aiming for sustainability are crucial to Aboriginal economic development.

Finally, Vancity has a role as employer for Aboriginal people in the lower mainland of British Columbia. It aims at increasing the number of employees of Aboriginal origin in order to strengthen its relationship with Aboriginal communities and improve its tailored approaches to working with Aboriginal communities and individuals. As such, Vancity's role is one of a potential partner in business and financial matters as well as one of a role model for other institutions.

Contact

Stewart Anderson
Manager, Aboriginal Banking
Community Investment
Vancity
Phone: (604) 787-1988
Email: stewart_anderson@vancity.com
www.vancity.com/aboriginalcommunities

PO Box 2120
Station Terminal
Vancouver, BC
V6B 5R8

Phone: (604) 877-7000
Toll free within Canada or the U.S.: 1.888.Vancity (826.2489)

Sources and Related Links

First Nations Market Housing Fund. Accessed November 29, 2010. <http://www.fnmhf.ca/>

Vancouver City Savings Credit Union. Accessed November 29, 2010. <https://www.vancity.com/>

_____. Aboriginal Communities. Accessed November 29, 2010.
www.vancity.com/aboriginalcommunities

_____. News. *Sunday October 17-Saturday October 23 is a time to celebrate Co-op Week.*
Accessed November 29, 2010. <https://www.vancity.com/News/Coop/>

_____. 2010. Vancouver City Savings Credit Union Rules. Accessed November 29, 2010.
<https://www.vancity.com/SharedContent/documents/VancityRules.pdf>

_____. 2009. Consolidated Financial Statements of Vancouver City Savings Credit Union:
Year Ended December 31, 2009. Accessed November 29, 2010.
<http://www.vancity.com/SharedContent/documents/pdfs/FSCAR.PDF>