

An open letter to our members and community

As the labour dispute at Saskatoon Co-op enters its second month, and as Chair of the Board and CEO of the Saskatoon Co-operative Association, we feel compelled to offer some perspectives on a situation that affects all Co-op employees (and their families), our loyal Co-op members, and the community at large.

To be clear, and in spite of recent communications from UFCW 1400 outlining select aspects of what's being negotiated, we have not written this open letter to bargain in the public sphere. However, there are things being shared in the public debate that we need to speak to, specifically, how the co-operative business model is being portrayed by some, and how our Co-operative Association's values and purpose are being called into question as part of that discussion.

For example, the contention that a co-op doesn't need to make a profit is troubling and indicates a profound misunderstanding of the co-operative business model. Consumer co-operatives like ours have always been for-profit businesses. We compete directly with publicly traded and privately held companies that would like nothing better than to see us fail. In spite of the efforts of those companies – almost all of which are based far away from Saskatoon and Saskatchewan – our Co-operative has provided services and grown to serve Saskatoon and area for over 80 years.

But while we are a for-profit business, what sets us apart is what we do with those profits. Rather than export our profits to far away head offices and shareholders scattered all over the world, our profits are invested right here in Saskatoon and area.

We make a profit to provide a return on investment to our 116,000 Co-op members each and every year. Over the past five years alone we've returned over \$29 million in cash to our members, with an additional \$51 million invested in those members' equity accounts.

We make a profit so that we can continue to add new jobs, and to build and upgrade our facilities to serve our members better. In the past five years we've invested \$108 million in capital projects to open or renovate 18 new facilities in Saskatoon, Warman, Martensville, and Colonsay. This capital investment supported hundreds of construction jobs and resulted in our hiring 250 new employees to serve our members and customers.

We make a profit so we can support worthwhile local projects and organizations, like Merlis Belsher Place and the Saskatchewan Rush to name only two.

We make a profit so we can keep making values-driven investments in our community for years to come, even during challenging economic times.

Values-driven investment in people and community is why visionary people created our Co-op. Our role, and the role of our employees and members of the Board of Directors, is to honour that purpose, to serve the interests of all 116,000 members of our Co-operative Association, and to ensure that we'll be here to build our community together for another 80 years.

Grant Whitmore
Chair of the Board
Saskatoon Co-operative Association

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