

**A POLITICAL ECONOMY ANALYSIS**  
**OF**  
**THE WOMEN'S COMMUNITY COOPERATIVE**  
**IN HAMILTON, ONTARIO**

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## Abstract

This research paper studies the urban phenomena of cooperative housing in Canada. A political economy approach is used in this documentation of the delivery of the Women's Community Cooperative in Hamilton, Ontario. The focus of this paper is upon the individual members of the Innovative Housing Group, and how their collective actions enabled them to deliver this unique housing service. Individual members of the delivery group were studied to determine how political circumstances influenced their decision to create the Innovative Housing Group. They were also studied to determine what characteristics of their collective group enabled them to deliver the cooperative. Present day members of the cooperative were studied to determine how they view cooperative living and to see if involvement and participation was occurring within the cooperative organization. This study is relevant to urban geography as it shows how individuals may take control over their environment and with collective action overcome strong political, social, and economic forces to produce alternative housing types such as cooperatives.

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## Chapter One

### 1.0 Introduction

Approximately one percent of Canada's total land area is occupied by 3/4 to 4/5 of Canada's population concentrated in urban areas. With few exceptions the lives of all Canadians are influenced by the political, social, and economic processes manifested in the increasing numbers of people living together in these areas. The consequences of this situation are both numerous and complex. In particular those problems related to housing are becoming increasingly important.

The traditional form of housing in the Canadian economy is provided by the private market, as such it is a commodity. However, in recent years the private market has consistently failed to meet the needs of lower and middle income groups in terms of provision of affordable housing. Although affordable is a somewhat ambiguous term it is generally considered that if one is paying more than 25% of his income on housing he is no longer within the affordable housing bracket, but rather is spending a disproportionate amount of income on shelter. Given the largely private exchange of housing as a commodity for which profit is the major incentive, more and more individuals are unable to pay the market price for shelter and thus are having to live in substandard housing.

Marxist theory suggests that the primary purpose of the state is to maintain the necessary conditions for capital accumulation, and at times of crisis the state is able to intervene with respect to continued accumulation of capital. The state, in an attempt to provide shelter for those who are unable to compete in the private market system, has implemented numerous programs through both the federal agency; Canadian Mortgage and Housing Corporation and the provincial Ministry of Housing. These programs include non-profit and cooperative housing projects which were originally organized under section 56.1 of the National Housing Act.

### 1.1 Non-profit Housing Cooperatives

Non-profit housing cooperatives are unique in Canadian society as they are a decommodified form of housing. Housing cooperatives may be considered the third force in housing as they are neither profit orientated, privately produced, nor welfare orientated, publicly produced. Rather cooperative housing is an attempt to provide an alternative form of housing for those whose income is too high to qualify for public housing, yet too low to consider home ownership in the private market without tolerating excessive shelter costs.

The philosophy on which today's cooperative ideals are based, is drawn from the 1966 World Congress of the International Cooperative Alliance, (Laidlaw, 1971). These principles may be applied to cooperative organizations in general, and are as follows. Firstly, open and voluntary membership is inherent to the cooperative organization. Secondly, democratic control exists through a one member and one vote policy. Thirdly, a limited interest on capital occurs, with any surplus earnings belonging to all members, with no individual in particular accumulating capital. Education is regarded as an essential activity to maintain the spirit of cooperation. Finally, cooperation amongst cooperatives is to be encouraged .

These principles define the nature of non-profit housing cooperatives. Thus distinguishing cooperatives from other forms of state housing as a coop is more than shelter, rather it is an entire philosophy or process. The members of the cooperative are both tenants and landlords. To be a landlord(owner), the individual must qualify as a tenant(member). The building is owned and managed collectively and members never assume individual ownership of the unit they occupy within the cooperative. Upon moving into the coop people normally pay a small membership fee, the first month's housing charge and a member loan which is

refundable upon moving out. The residents make monthly payments which cover the total cost of the mortgage, taxes, and operating costs with no capital being accumulated.

Non-profit housing cooperatives have an advantage over private market rental housing in that as they are non-profit, housing charges rise only with increases in housing costs and thus over time coop housing charges will become cheaper than comparable private market units. Coops ensure an equal voice among residents in the decisions affecting their environment and thus provide a unique opportunity for people to live collectively in a capitalist society.

Housing cooperatives need to be studied from a geographical perspective as they have the potential to transform the urban environment that currently exists in Canada.

Although a variety of papers have been written about cooperatives from a descriptive point of view, few have dealt with the individual deliverers of a coop. This paper documents the activities and organization that was required by one housing group which created a housing service that had not previously existed. As well, it will explain how the individual can contribute to the establishment of cooperatives in Canadian society when organized into a collective group.

A Marxist political economic framework was used in this research as it encourages historical specific analysis of state development. It also aims at providing explanations for urban phenomena such as cooperatives within the broader framework of political, economic, and social structures of society. Thus the development process of this coop and the organization that was required by the deliverers of the coop was documented and will be explained based upon a political economic approach.

Cooperative housing projects are viewed by the state as shelter merely for the sector of the market in which income distributions imply consumers are too poor to afford the products of the private sector and too rich to qualify for the products of the public sector. These projects depend upon state approval and funding in order to be formed but have also become a way for the state to withdraw from the direct provision of assisted housing since the private sector serves as the financier while the government backs the mortgage.

### 1.2 Research Design and Methodology

The non-profit housing cooperative that was chosen for this study was done so because of three unique characteristics. It is the only single women's non-profit housing cooperative that exists in Canada

with a membership restricted to women between the ages of 40-59.

A second characteristic of the cooperative is that it has been in operation less than one year. This will make the documentation of the development easier as the cooperative is in the early stages of its life.

The third unique circumstance surrounding this cooperative is that the deliverers of it were five women. This represents a situation where collective action by women, has challenged social, political, and economic structures inherent in today's society to produce a coop that enables women to take control over their environment.

There are two hypotheses that were evaluated using this housing cooperative and its deliverers as a subject of study. They are the following:

1. It is hypothesized that for a group of individuals to organize collectively and deliver a housing service that did not previously exist two conditions must exist. Firstly, there must be a unique set of political/social circumstances that act as the motivation to organize collectively against the state. Secondly, common political and social activities of individuals are necessary to enable individuals to unite and create an effective collective organization. This in turn enabled them to deliver the housing cooperative.

2. The nature of cooperative living ideally requires active involvement and participation by the members. It is questioned as to whether this has occurred in the WCC and if so with what consequences, both positive and negative.

The data collection involved interviews with users of the coop and the organizers of the coop. Data gathered from the current members concerned some background history, the search for and time of moving to the coop, actual life in the coop, levels of participation, and an overall evaluation of coop living. Political and community activities were documented, as well as ideas and concerns for these women's futures. Participants were asked to express their satisfaction with coop living and dissatisfaction in both terms of physical and social aspects of the coop.

The design of the study consisted of personal interviews conducted with a random sample of 20 residents who constitute 50% of the coop population. This sample included both working and non-working individuals, women in all three divisions of rent groups in the coop, and both physically and developmentally handicapped persons. The questions asked were both limited in choice and were open ended, with the length of time spent in each interview varying from 30 minutes to 2 hours.

The interviews with the deliverers of the coop consisted of questions concerning their experiences in the past and how these experiences influenced their decision to join the collective group. It was also determined how past events contributed to the delivery of the coop. Past involvement with housing, co-operatives, and social and political activities were determined as well. Potential areas of conflict were discussed as well as issues that would have been handled differently in retrospect. The goals and ideologies that the organizers had in mind when developing the coop were also determined through interviewing. Satisfaction with the coop and plans for the future were discussed as well as policy suggestions that the state should implement or change. The length of time spent in each interview averaged between one to two hours.

Additional information was obtained via the use of documents that the coop had published, newspaper clippings, and interviews with the coordinator of the project. A general members meeting was attended to observe the democratic process in action. Informal observation of the members daily activities also occurred for approximately one week.

## Chapter Two

### 2.0 Introduction

A broad range of literature encompassing a variety of approaches and perspectives has been written in the past few decades concerning housing, with some attention paid in particular to the relatively new Canadian experience of cooperative housing.

This chapter will review different approaches in urban geography that explain housing development. Its aim is to illustrate the strengths and weaknesses of each approach and will show why the political economy approach is the most relevant theoretical framework to use in this study of a particular housing cooperative.

### 2.1 Behavioural Approach

The behavioural approach to explaining urban phenomena describes and explains human behaviour based upon individual choices and reactions to life events. Urban change is explained as a result of changes in people's preferences. Brown and Moore(1970) outline the theory in which a decision by an individual to move is a product of stress generated between the household's needs, expectations, and aspirations versus actual housing conditions and the environment. The various choices that people make are thought to be based upon age, class, religion, and other social characteristics.

At the point where stress reaches intolerable levels the household must either improve its environment, lower its expectations, or relocate. Although this theory has its advantages when looking at the individual, it is narrow in focus due to the emphasis upon choice rather than constraint. Knox(1982) states that housing supply is at best only indirectly responsive to demand and thus more attention must be given to social stratification and regulation of housing supply by various groups. If the behaviouralists fails to recognize this then "The rising tide of interest in residential mobility may well be sweeping onto a deserted beach",Short(1978).

One version of the behavioural approach argues that cultural changes have resulted in younger professionals choosing gentrification over life in the suburbs. However, as Smith(1979) points out,"If cultural choice and consumer preference really explain gentrification, this amounts to a hypothesis that individual preferences change in unison not only nationally but internationally - a bleak view of human nature and cultural individuality."

In the case of housing cooperatives behaviouralists would explain their existence as the result of the individual's choice. Not considering the amount of work that is required to actually organize and develop a cooperative so that it may become an

element of choice. Similarly, behavioural theory ignores those who are homeless, which according to the theory would be their preference. This certainly cannot be correct. Although behavioural theory provides interesting insight into individual decision making in choosing housing types, it ignores the wider environmental constraints that exist in terms of political and economic forces that make many incapable of decision making control over their housing form.

## 2.2 Neo-Classical Economic Theory

Muth(1969) and Alonso(1966) are two major contributors to this theory of explanation of the internal structure of the city. The purpose of this approach is to determine the pattern of land use consumption that exists in urban areas through the pricing system with a central role given to the relationship between location, ground rent, and transportation costs. Several assumptions are inherent in this approach. Firstly, the Central Business District is centrally located. Secondly, transportation costs are uniform. Thirdly, the city is inhabited by a rational economic person. Variations of this model occur, however criticisms abound.

Richardson(1970) states that conditions of economic people do not exist as people do not always behave

rationally. In addition neo-classical models are a-historic as they ignore past trends and situations.

Walker(1978) states the model provides no insight into the process of change of the qualitative rather than the quantitative sort and thus helps not at all in understanding the present urban conditions. One has to agree with these criticisms as the city structure is constantly changing , for example corporations are no longer locating in the CBD rather locating on the outskirts of cities. People are changing in how they view accessibility and privacy, rather than living in suburban areas, many are moving into the inner city. Two other criticisms of this model are that it ignores the effects of housing supply and demand thus inflating prices far higher than economic rents would normally dictate. As well it ignores the concept of housing submarkets illustrated by Harvey(1972).

Housing submarkets vary from city to city according to the differences in the available housing stock. They may be based upon varying cultural attitudes to housing or differences in financing available. Dineen(1974), in her study of the Don Vale cooperative identified various submarkets that the housing cooperative had to compete with. A working class area and an elite district of renovated houses both existed. Housing submarkets do exist, as they are

inherent to capitalist society as those who have greater access to capital and power tend to exhibit this power in the form of housing they live in.

The neo-classical theory doesn't address the process of the development and organization of cooperative housing of which I am interested.

### 2.3 Managerialism

Harvey and Chatterjee(1974) argue that the geographical structure of an urban area is continuously being transformed by the ebb and flow of market forces, the operations of speculators and realtors, changing potential of home ownership, pressures from community action, and interventions and disruptions brought about by changing governmental and institutional policies.

Managerialism addresses some of these issues as it focusses upon relationships between households and key members of various institutions and agencies related to housing delivery. Pahl(1969) felt that the proper focus of urban research should be on the interplay of spatial and social constraints which determine the opportunity of access to housing. The managers of housing include such people as financial capital managers, industrial capital managers:developers and builders, commerce capital managers:estate agents and lawyers, and property owners such as landowners and

landlords. Although Pahl identifies key agents in housing decision making, Knox(1982) points out the dangers of ascribing too much power to the managers of the system and too little to the actual political power holders. Managers cannot be oblivious to material forces in society as they are subject to constraints in their allocations due to services and resources being limited in society.

The managerial perspective provides insight into housing problems, but it doesn't examine how the managers are themselves subject to constraint from wider economic, political, and ideological structures of society. Managers may be able to influence some political decision making through various methods both legitimate and corrupt. However, it is in most cases, the politician who has the ultimate decision making power not the developer or landlord.

#### 2.4 Descriptive Approach

The aim of the descriptive approach is to describe urban phenomena as it exists without explaining why it exists. There have been volumes of literature written using a descriptive approach about housing and in particular cooperative housing.

Hobart(1988) describes the development of an American coop in a brief two page account. She discusses the

residents who live there and the general form of the coop structure. She also stresses the problems of homelessness "today's housing market contains few remaining options to promote the construction of affordable housing, especially housing that is designed to meet the needs of today's changing lifestyle and needs."

Wekerle(1988) provides an excellent review of the situation of women's housing cooperatives in Canada. She has documented how each project was developed and learned about the resident's experiences of living in a coop designed specifically for women. Her paper can be termed descriptive as she does not delve into the political structures involved in the delivery of these housing coops. Her paper is unique however as very little has been written on women's cooperatives.

There has also been assorted literature on various aspects of cooperatives ranging from how to successfully build one, how employment within the coop should be regulated, to a discussion of condominiums and co-operatives and the feasibility of investing in either. See for example Marks 1977, Clarke 1960, Co-op Housing Fed. of Toronto 1986.

Although the descriptive approach does enlighten the reader on housing co-operatives, it is in essence a

description and would not entirely be appropriate for this paper, as it is of interest to explore more deeply the why and how of cooperative delivery.

### 2.5 Political Economic Theory

Many North American cities are experiencing urban crises involving housing, these crises are in fact a feature of most cities in advanced capitalist nations (Friedland, Piven, and Alford 1984). The explanations looked at above fail to examine the issue of control over one's environment and how collective action is necessary to act against political and economic forces of these areas. Thus an approach which is most applicable in explaining the delivery of and the housing cooperative process is the political economy approach based within a Marxist framework.

Political economy is concerned with the social aspects of economies and in particular with the influence of economically and socially defined classes upon urban life (Johnson 1986). Within geography the approach is a perspective stressing the social character of a capitalist society and the imperative of accumulation (Johnson 1986).

There are several issues within the political economic framework which should be clarified in order to

understand its application to geography. Edel(1981) states that the ownership of capital defines a class(the bourgeoisie) which has predominant economic power. The bourgeoisie dominate the economy due to their control over production and surplus value. The expansion of surplus value is the goal of the bourgeoisie or capitalist institution, that being any business, factory, or organization motivated by profit.

In order to dominate the economy the bourgeoisie must have command over labour: the working class or proletariat. The proletariat are those wage earners who have to rely upon their labour to earn their livelihood(Webber 1982).

A second necessity for capitalism to survive is that the proletariat and the bourgeoisie must both survive and perpetuate. They must not only reproduce themselves physically but also socially. Social reproduction involves the re-creation and or transformation of specific forms of capital, labour, inter and intra class relations(Dickenson and Russell 1986).

Due to the nature of social reproduction a struggle of the classes emerges . This conflict is what occurs in the delivery of non-profit housing cooperatives. The capitalist wants to maintain control over the urban environment which means not allowing the

repressed class access to power in the ways that cooperatives are capable of doing. As well conflict may occur within the cooperative itself due to struggles emerging between those who do have access to capital and those who do not.

Finally, the role of the state is important as it represents the interests of the ruling class and hence becomes known as the capitalist state. The state must provide infrastructure and subsidies which will ensure profits and growth of monopoly capital and subsidize and protect the accumulation process (Friedland, Piven, and Alford, 1984). Thus the capitalist state becomes the dominant political apparatus involved in regulating antagonistic class relations and practices (Chouinard 1989).

This approach is useful in explaining the development of a non-profit housing cooperative as it provides the opportunity for those who traditionally had no control over their environment to become empowered, something that could upset the status quo.

Literature applying a political economy approach looks at a variety of problems within state housing delivery. Chouinard (1989) looks specifically at the political reproduction in localities and its effect upon recent experiences of state assisted housing. Locality is defined as an area containing social relations which

provide the base for everyday life. Localities are produced and reproduced thorough political and practical struggles so that particular localities may become arenas of opposition to dominant social relations and contribute to broader struggles for change(Chouinard 1989).

This perspective is ideal for this study as it considers the role that subordinate individuals and groups can play in opposing and transforming existing practices with collective action. As well this approach emphasizes that the politics of struggles are socially reproduced in localities. Dr. CHouinard's work on political reproduction in localities and co-operative housing is an excellent example of the application of political economy to housing problems. This approach is key to this study of a non-profit housing cooperative as it explores how individuals can transform existing practices with collective action.

Fincher and Ruddick(1983) have studied Quebec cooperatives and in particular the role of the state in funding this form of housing. They have identified various trends in policy dealing with the funding of coops. The changes in policy that have occurred are suggested to be due to the conflict of interests that the capitalist class has had with collective ownership of co-operatives. Thus the bourgeois interests have

been reflected in recent housing policy (Chouinard,1986,Fincher and Ruddick,1983). While Fincher and Ruddick provide an overview of the state's involvement in housing provision in general, Chouinard provides an indepth analysis of changes in specific state policy that has led to the recommodification of co-operative housing. Harloe(1981) explores the issue of the recommodification of the housing supply in Britain; a problem that has him forewarning that a collapse of the political and economic context within which recommodification has occurred may be in the near future.

Through the use of a political economy approach it will be possible to effectively study the ability of the individuals to collectively organize against the state and to delivery the non-profit housing cooperative.

### Chapter Three

#### 3.0 THE ORIGINS OF THE COOP

The co-operative housing project which constituted this case study is the Women's Community Cooperative(WCC) located on Clapham Road one block east of Nash, near Queenston Road. This coop is the first housing service delivered by the Innovative Housing Group, a five member organization who recognized the need for affordable housing for women in the age group of 40-59. The Innovative Housing Group is the collective organization studied to evaluate the hypothesis that a combination of political and social activities can lead to a collective organization enabling a group to create a housing services that did not previously exist.

Before examining the individual members of this group it is necessary to discuss the circumstances that led to the formation of the IHG and the decision to construct the WCC. As these circumstances will support the hypothesis that political and social circumstances in society motivated people to take collective action due to the state's inactivity.

### 3.1 Why The IHG Was Formed

In June of 1985, the Social Planning and Research Council of Hamilton (SPRC), released a report entitled An Overview of the Impact of the Recession on Women in Hamilton-Wentworth. It was a study that had identified six specific areas of improvement needed to improve the quality of women's lives. Twenty three recommendations were made on this report dealing with the following six categories: housing, daycare, employment, education, immigration, and social services. The SPRC was dismayed with lack of attention paid to this report by both the government and the public, so a Community Advancement Committee (CAC) was formed, and further efforts were undertaken to expose these issues.

In April of 1986 as a result of the CAC's efforts, the WHAT (Women of Hamilton Acting Together) conference was held which featured six workshops dealing with the specific issues written about in the report. Speakers at the conference were both professionals and users of the system.

Housing was shown to be one of the major problem areas for women, with the workshop stressing the lack of power women have over their environment due to their inability to pay market rates for housing. This situation has occurred for years as women have

traditionally been the less privileged class in society with little access to power and capital. Whether it is women on welfare or women working in traditional low paying service sector jobs, their ability to pay for housing has been less than other groups.

An issue of concern that was stated at the conference was that of state welfare policy which further disadvantaged women. In Hamilton, a family was eligible for subsidized housing through Hamilton Housing, until the youngest child turned 18 or had completed her education. At this point in time the mothers were no longer eligible for subsidized housing, lost their Family Benefits Allowance(FBA), and were placed on General Welfare Social Assistance(GWSA). This resulted in a 36% decrease in income on GWSA than had previously been received on FBA. Thus as well as losing their home, women in the age group of forty to sixty in particular were further incapacitated by having their income decrease making the ability to find affordable housing almost impossible.

At the time of the conference Ontario Housing Policy allowed only single elderly or single disable individuals access to subsidized housing units, thus single women in the age group of 40-60 certainly were in need of an alternative housing source.

It was a because of these circumstances that the Innovative Housing Group formed, as three of the members had actively participated in the research for the report and had been involved in organizing the conference. The IHG was formed with the original intentions of discussing possible ways of lobbying the state for greater housing services for women as well as for changes in the social assistance programs as they currently existed. Thus political policies played an initial role in motivating these people to collectively act as the state was ignoring the issues.

Approximately one month after the group had formed, they were told by Sarah Power of Niagara Peninsula Homes, a resource agency that deals specifically with non-profit cooperatives, that a new provincial program was available of which they might want to apply for funding. This program was Project 3000, the Ministry of Housing's designation of funding for three thousand units of non-profit housing for singles. A breakthrough in terms of the state realizing the needs of singles, as well this was the program that the IHG needed to deliver a housing service that previously did not exist. Thus it was a combination of political inactivity that initially led to the formation of the IHG , followed by a change in provincial policy

that would eventually allow the means for delivering the housing service that the IHG wanted to produce.

### 3.2 The Innovative Housing Group - The Individuals

When the Innovative Housing Group was originally formed it consisted of seven women, however two later had to drop out due to other commitments. The remaining five Basilia Iatomasi, Jan Clark, Rheta Dudley, Marie Taylor, and Joan Loyt are the focus of the latter part of this section.

They were each interviewed to determine if past and present political and social activities did contribute to their ability to deliver this coop, as well as motivate them to join the IHG. More specifically, involvement with women and housing , political activism, volunteer interests, career related activity, long term goals, and personal experiences were examined.

These five women shared the common goal of wanting to help women of the ages 40-60 have a decent place to live, as they had all been aware of the governments' avoidance of this problem. There were variations in how they wanted to accomplish this however, as some were more interested in changing political and social ideologies while others were less grandiose in their goals as they wanted to merely

provide shelter.

In terms of political activities, Basilia stood out, as her job is directly involved with political issues. Her role as a community worker in a legal aid clinic has resulted in much political lobbying on behalf of her clients, many of which are women.

Her job has allowed her to see first hand the problems women face in the private market in terms of access to affordable housing as between 40 and 50 percent of the work she handle deals with housing related issues. Private landlord and tenant disputes, rent review problems, and public housing issues were all very common problems dealt with by her on a daily basis.

Her reason for becoming involved with the IHG was primarily political, because of her desire for women to become empowered and have increased access to capital and power. The alternative housing type she wanted to provide would ideally allow for an opportunity for women to become empowered by living collectively and gaining control over their environment. Thus a cooperative housing service was exactly what Basilia in particular envisioned as it would allow for women to control their environment.

Although it was hypothesized that past political activities would be a common characteristic shared by

the women in the Innovative Housing Group, it appeared that Basilia was the key player in terms of political experience, as that is where her interests lay.

In terms of work related activities concerning women and housing there was a noticeable similarity in that 4 out of 5 of the women were directly involved in social services. Joan was a counsellor working with the developmentally handicapped, Jan was a counsellor at the Elizabeth Fry Society, Rheta, a professor at Mohawk College has taught life skills to single mothers for the past ten years through a program called "Focus on Skills", and Basilia the community worker as was mentioned above. Thus their work had resulted in them being heavily involved with women's problems, housing in particular was always a concern.

The one woman Marie not involved in social services owns and operates a store and post office in Hamilton's east end. Although her work does not bring her in direct contact to women as the others on the IHG, her volunteer experiences indicates her concern, since once a month she roams the streets looking for homeless women to provide them with clothing and other items she has collected for them.

Therefore one could conclude that although they have not all been politically active, their awareness of

the problems facing women affected their decisions to join the IHG. The members of the group were all in favour of applying for the provincial funding although there were varying degrees of thought on the whole process of cooperative living. One member in particular, was primarily concerned with housing women, and the philosophy of cooperative living was of little importance to her. However, 4 out of 5 of the members all agreed that a non-profit cooperative specifically for women within the 40-59 age group could certainly provide the potential for these women to take control over their environment.

Considering none of the women had any experience in a project of the size they were proposing to deliver, they had a lot of work to convince the state that they were capable of delivering the cooperative. They had the additional problem of convincing the government that the need was there for limiting the coop to women of a specific age group. They convinced the government of the need by drawing upon their contacts with social services, enabling them to have numerous agencies write letters of support on their behalf. As a result they successfully lobbied the state and received conditional funding and were ready to begin the delivery process.

## Chapter Four

### 4.0 Delivery of the Women's Community Cooperative

The IHG was given a conditional allocation of funding totalling 2.5 million for a 40-46 unit apartment building. This amount was established using Maximum Unit Prices (MUPs) which are set by Canadian Mortgage and Housing Corporation branch offices with formal reviews occurring twice yearly when necessary adjustments are made if market indicators change. Such indicators include building construction costs which are estimated through different appraisals including the use of basic rates, costing manuals, and analyses of cost trends. Land values used in establishing Mups are determined by market comparisons with recent sales of similar property.

#### 4.1 Location Search

After the initial conditional approval the Innovative Housing Group had a tight deadline to meet in terms of finding a suitable location. They did not have time to get land rezoned so they had to look for property that was already zoned multi-residential.

By drawing upon their past experience with women who would be the users of the building, as well as asking potential members what they would want in terms of location, they had developed a list of

characteristics that were necessary for the location of the cooperative. These characteristics included, accessibility to community services such as hospitals, accessibility to social services, and a location close to retail and convenience stores. The land would also have to be located upon a bus route as many members would not have vehicles.

Two major problems faced these women, firstly the general lack of available land in Hamilton and secondly, cost was an important factor as they were working within a limited budget. They located the property on Clapham road eventually and as the deadline approached the price went up from 190,000 to 237,000. This site was ideal in terms of accessibility to bus routes, stores and services. However a major problem was that the coop would not be able to meet the parking by-law in effect for a building of the size they proposed.

A committee of adjustments meeting was scheduled in an effort to have the coop made exempt from this by-law. At this meeting any community objections to the cooperative could be voiced, thus the future of the coop was very uncertain.

#### 4.2 Neighbourhood Opposition

Rather than ignore the possibility of negative community reaction at the meeting, the IHG met with the neighbours prior to the scheduled meeting time. The women decided to meet with neighbours individually rather than hold a public meeting as they had been involved with such meetings in the past and knew they wanted to avoid ugly confrontations that often occur.

Although the numbers of neighbours were small, the amount of opposition was considerable with numerous concerns voiced by the various residents of the community. These concerns could be placed into three categories. Firstly, neighbours did not want the physical structure built. Secondly, they believed the prospective members would be "welfare bums" and hence did not want them in the neighbourhood and thirdly, concerns existed relating to increased traffic and parking problems.

The women discussed these concerns with the neighbours and offered numerous solutions to these problems. They guaranteed that the members of the coop would use their assigned parking spaces and made it a by-law that they do so. In addition the women offered to collectively with the citizens go to the Alderman and lobby for permit parking upon the street. This idea

was never followed through as the neighbours were not interested in publicly pursuing the matter.

The neighbours were also informed of the philosophy behind cooperatives in terms of no distinct class structure and that mixed income levels would all be living there. Although it was a form of government assisted housing not everyone there would be on assistance.

In response to the concerns of noise and car exhaust from the parking lot, a six foot fence (the maximum height the city by-laws would allow) was to be built and a stretch of grass planted separate the coop cars from the neighbouring residences as well as to ease the neighbours fears of lack of privacy.

The fact that these women worked with the neighbours rather than against them resulted in a positive outcome at the committee of adjustments meeting with little opposition from the neighbours who attended it. Due to their recognition of potential conflict and their experience in dealing with the public in the past, they had overcome a potentially serious problem which could have ended their quest for the land so early in the process of delivering the coop.

They also successfully lobbied the municipal leaders into decreasing the required amount of parking

spaces based upon the argument that many of the women would not have vehicles. Although the amount was decreased, they still had to buy a second piece of land for an additional 73,000 dollars to meet parking requirements.

The amount of money spent on land threatened to throw the IHG extremely over budget, thus amendments were made to the original plan so that the co-op would be eligible for more funding.

Many items that had been designed with women specifically in mind had to be cut from the plans, such as a greenhouse on the roof, and moveable walls.

The amount of units was increased to 47 capable of housing 54 women. As well a second stage housing unit for three women was added that would act as a temporary home for three women referred from emergency shelters. Five, two bedroom shared accommodation units for two non-related females were added, termed hostel units they are eligible for extra funding. The remaining 41 units remained one bedroom, 6 of which were to be totally wheelchair accessible.

Due to these changes the total funding made available reached 2.9 million. The provincial government acted as a backer, with the actual funding loaned to them through the financial institution of

Canada Life. The mortgage is amortized over 35 years. The state also provides financial assistance to the coop in the form of bridge subsidies bridging the difference between costs and revenues in the early years of operation. When revenue exceeds costs this subsidy will be repaid to the Ministry of Housing.

A second form of subsidy is provided by the government as part of the policy of funding non-profit housing, that being a subsidy provided to assist low income households or those who would be paying more than 30% of their income on housing charges. Those coop members who are eligible for this assistance pay according to their income and the balance is made up by the government. Sixty percent of the units are geared to income in the coop at varying degrees of assistance ranging from shallow to deep core assistance.

Th IHG also managed to have a lot levy fee lifted by the city council something that is very rare which saved them 47,0000 dollars. This was done by having established strong contacts with the city and regional council enabling them to successfully lobby for the exemption.

The building was scheduled for completion in August of 1988, less than two and a half years since the Innovative Housing Group had formed. Members began to

move in at this time, although some minor construction was still occurring. The fact that the IHG had implemented a housing project that would normally take 4 to 5 years to complete is a outstanding achievement and shows the amount of dedication and effort they put into the project.

In terms of future coops to be developed by this group the members are disillusioned by the fact that they can not build any more in Hamilton due to state policy. Hamilton has one, hence funding has to be distributed elsewhere. As well due to the amount of volunteer time that was necessary to deliver this coop some members are suffering from what they call "burn out". Although they would like to continue with a new housing scheme there appears to be a mixture of goals and ideas that will require some focusing. One member stated that she feels the IHG should function as a resource group and that new people need to become involved so that fresh ideas can occur.

Thus in conclusion, one could say this study of the Innovative Housing Group reinforces the hypothesis that political and social circumstances do motivate people to take collective action to provide a housing service that did not previously exist

## Chapter Five

### 5.0 The Members of Women's Community Cooperative

It is necessary to examine the members of the coop to an extent, as one member of the IHG stated "The coop was merely a building until people began living there, then it began to reflect the way of life that cooperative living represents." Thus it is of interest to observe how the cooperative is operating at present and whether the members are in fact experiencing a greater control over their environment as the IHG had hoped.

A secondary question is whether difference of opinions exist between coop members regarding the cooperative as shelter or as a process? What resulting conflicts can or do exist because of this?

A variety of questions were asked to determine why current members moved to the cooperative. Members were questioned as to how they had first heard of the co-op the results being that 30% had heard of it through a social agency, 25% from a friend, 20% from a co-worker, 15% through the media and the remaining 10% had been informed by a member of the Innovative Housing Group.

These percentages indicate a high level of information diffusion through personal networks with 45%

being from friends or co-workers.

Prior to moving to the co-op 60% of the people interviewed had lived in the east end of Hamilton, 15% in central Hamilton, 10% on the mountain, 5% in the north end and 5% in other areas. Of the 60% who lived in the east end, 15% had lived within walking distance of the cooperative.

The factors that played the greatest role in the decision to move to the cooperative are the following: social and economic were number one, followed by location, health, state of previous housing, and the nature of cooperative living.

To determine the degree of prior coop experience and impressions of coops held by members before moving to the coop, members were asked if they had lived in a co-op before, heard of coop living, or how their experiences differ from what they had expected. Only three people had ever heard of coops and none of the residents had ever lived in one. Thus there was no prior knowledge and experience that might have influenced the way they consider life in the coop. Most people said they had no idea of what to expect when they moved in other than the information gained at information sessions and that for several of the members it has required much more work than was expected. Th

by-law states 4 hours a month per member, but one member says she contributes at least 30 to 40 hours per month

Participation was examined, referring to activities by co-op members which were carried out in terms of institutionalized groups in the coop. These activities can be divided into membership on board of directors, membership on committees, and attendance at general meetings. At the time the research was conducted the coop was in the process of electing a new board of directors to take control from the IHG. It was found that 5 of the 20 people interviewed were running for the board of directors. 90% of the members had attended all the meetings with the remaining 10% missing them due to conflicts with work.

Within the co-op there are a variety of committees set up these include, finance, social, newsletter, member selection, shared and second stage housing, by-laws and member relations, arrears, and maintenance. The members were asked how many committees they served on, with the average number being 3, although 1 person served on 5, and 1 person was on none.

Social involvement was determined by asking how many people members visited with regularly at least 1-3 times per week, and how many people in the co-op they knew by name. In terms of visiting, the average

response was 6 ladies per week, with the extremes of 15 to 2. 30% stated they knew all the members, 35% knew 50 to 75% of the members, with the remaining 35 knowing less than 50% of the members. Thus there existed within the coop a positive support network as many people cited the positive feeling of knowing there was someone there if any problem ever occurred. Although one member did cite concern that there weren't any men in case of a situation where physical strength was required, the attitude towards men in general was negative.

In determining satisfaction with the co-op members were asked if they had plans to leave within a year or 3 years, the result being that only 1 woman who may leave due to a potential marriage responded. The majority of the respondents said the only way they were leaving was in a pine box.

#### 5.1 Problems within the Cooperative

Numerous issues can be identified as a result of the interviews that are potential areas of conflict within the cooperative.

1. Filling the shared accommodation units has been difficult due to the age requirements of the coop. At this stage of life, many women do not want to share an apartment. However this was necessary to increase funding for the coop. At present there are still some

vacant two bedroom units.

2. Lack of participation exists by those who view the coop as an apartment building and do not feel the need to get involved.

3. Conflict exists between those who are paying market rents and people on government subsidy. The idea being that because they pay market rents they should not have to contribute as much time to the collective process.

4. Varying opinions exist concerning the second stage unit. Some feel that it may attract unwanted attention and pose a physical threat to the safety of all the members.

5. Conflict exists between those who have lived in the co-op since its opening, and those who have joined later. A mental barrier separating "us and them" threatens to disrupt the collective process.

6. There are those who still view the coop as a shelter, not a collective process and are concerned only about their individual units and not the building as a whole.

7. Education is still needed to teach these women all the aspects of running the coop and to enable them to think cooperatively.

The area of education is viewed as very important by the members of the coop as they need to know how to cooperate with one another in order to live collectively

and also learn the various business practices involved in running an organization of this size.

### 5.2 Conclusions about Cooperative Life

The majority of the women living in the cooperative at present have come from situations where they had little or no control over their environment. It has been shown that the involvement and participation inherent in cooperative living has truly had positive affects on these women's lives. This reinforces the work of the Innovative Housing Group for initiating this project and providing this service. As it has benefitted the women who live here due to the cooperative principles upon which the cooperative is based. Every women spoken to had positive things to say about the coop and all are enjoying the involvement and control that the cooperative has provided them.

### 5.3 Conclusions Relating to the Innovative Housing Group

The Innovative Housing Group represents a strong collective organization of women that was able to overcome political, social, and economic forces to produce this cooperative in record time. An awareness of the problem fueled by past work related experiences with the women they eventually served, proved to be the binding force that held the IHG together. As one member stated a "Commitment to the Clientele" belief was the

glue that enabled them to overcome the obstacles that were placed in their path.

#### 5.4 Relevance of Study

The documentation of the Innovative Housing Group has shown how individuals can unite and work collectively against the state to provide needed services. The success of the IHG, suggests that everyone has the ability to overcome political and social forces and attempt to change the urban environment. Particularly in this time of increasing market prices, greater collective action is needed to implement housing services such as cooperatives. With an increasing awareness occurring in urban areas, the structure of the urban environment has the potential to be changed if more individuals would follow the example that the Innovative Housing Group has set.

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