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AWHI CREDIT UNION INDEPENDENCE DAYS

From Poverty Bay to the Bay of Plenty, Maori-run credit unions are being looked at as a model for First Nations in British Columbia.

By Amanda Euringer

THE BLAZING New Zealand sun beats down on 50 or so tourists as they stare into the crystal blue waters of a steaming volcanic pond named Parekohuru. We are in the village of Whakarewarewa, located in a 90 per cent Maori region on the North Island near the Bay of Plenty. Bags of corn are being cooked in Parekohuru's boiling depths, an authentic Maori experience that thrills the onlookers, who have paid \$25 NZ a piece to be here. Every bubbling mud puddle and pool in this village is considered family and referred to by name. The air is dizzyingly thick with sulphur.

A conspicuous picket fence runs through the village, separating tourist paths from residential territory. Behind the pickets daily life continues for the local Maori. A woman busily weaves a traditional basket.

"Auntie!" Rachell Mio, CEO of the Maori-run AWHI Credit Union, calls out to her. "Can

we come in? I want you to meet the Canadian journalist.” The woman’s hand pauses on the gate as her dark eyes size up my blue ones. Then, breaking into a huge grin, she says, “Oh, it’s our Canadian cousin,” before ushering me inside. I had to be adopted to get in.

Welcome to the dual world of New Zealand. On one side of the fence are the Maori, a people who have almost as many names for family as the Inuit do for snow. On the other side are the Pakeha, the widely used Maori word for white people. These fences exist at all levels of the society, dividing New Zealanders by language, skin colour, culture, and economics.

In 1993, a group of Maori women, led by Rachell Mio’s mother Kitta, decided the financial barrier had to come down. Although government money had begun pouring into their community through reparations from land claims and treaty violations, Kitta Mio and the women of her whanau (extended family) had observed that the money was simply pouring back out again. Lack of basic financial education and an intrinsic distrust of Pakeha currency were adding up to poverty, no matter how much cash flowed in. Mio realized the Maori needed to adopt a banking system of their own, one that bridged traditional values and the modern Western financial world. The **AWHI Credit Union** was born, starting with 175 members who donated \$5 NZ each.

In the years since, AWHI – which stands for ‘All together We Have Independence’ – has been used to translate credit union ideals into financial prosperity one member at a time. With three branches in Rotorua, Gisborne and Opotoki, more than 1,900 members, and \$3.5 million NZ in assets, the model pioneered by these self-proclaimed “miracle housewives” is so successful that it is being looked at to help Canada’s First Nations on the coast of British Columbia.

Like many of Canada’s aboriginal people, the Maori have struggled to find independence since British colonization. Nowhere is this more poignantly illustrated than in Gisborne, located in Poverty Bay, three hours south of Rotorua.

Standing on the brilliant white cliffs overlooking the city and theseemingly endless turquoise sea is Marcus Lloyd, a young, clean-cut father of six who identifies as Maori and is the strategic planner for AWHI’s Gisborne branch.

Like other aboriginal people, the Maori find the idea of individual ownership

completely alien, Lloyd explains. Coming from a culture steeped in bartering, the Maori distrust money, which is seen as intangible and foreign. But when Lloyd saw **Common Wealth Credit Union’s** Young & Free Alberta commercials on YouTube, he was inspired by the idea of a cooperative financial system. “I thought, how can we teach our people the principles of saving, financial collectivism and independence through this tool?” Then he found Kitta Mio and AWHI.

Although she would never take the credit, Kitta Mio is the indestructible rock on which AWHI is built. She works 12-hour days balancing budgets, sourcing loans, and finding time for her children, grandchildren and AWHI members alike. Kitta Mio spent many years travelling the world with her four children and



army husband. In the late 1980s Mio and her family relocated to the tiny coastal village of Torere, situated between Gisborne and Rotorua, and were shocked by the poverty of the 250 inhabitants. Most people subsisted on benefits.

Mio and the women of her community decided that a Maori-run credit union was needed to educate Torere’s residents about money, and to provide collateral for loans to buy much-needed resources for the village. Regular banks expect customers to have savings before applying for loans; Mio wanted to teach her people to save and fulfill their basic living needs right away. AWHI’s success began with the financial education of each individual. New members were taught simple budgeting tools to understand their cash flow, and AWHI insisted everyone contribute to a savings plan, as little as \$5 per week. Once a year, around Christmas, members could withdraw their savings and start again.

Karena Butler’s story is typical. A slight

36-year-old with waist-length dreadlocks, and a mother of six children under the age of 14, she had managed to rack up debts in excess of \$5,000, although she and her husband lived a subsistence-based lifestyle. Under daily threats from creditors, and feeling uncomfortable around banks she approached AWHI. Butler felt welcomed the moment she walked in. There were faces she recognized behind the counter. They spoke her language and understood her situation. In just two years, AWHI helped Butler create and stick to a budget and to build savings for the first time in her life. According to Butler, it is the famous ability of these women to gently refuse to let people “blow their money,” and their firm insistence that they stick to a mutually decided financial plan, that keeps membership growing.

“We were really just housewives with budgeting and people skills,” says the self-deprecating Mio, whose warmth and charisma perfectly define what Lloyd describes as “nanny power.”

“These women are mothers and grandmothers within our community,” Lloyd observes. “They have the power to chide members about their expenses without it turning into a fight.”

AWHI came to international attention in 2000 through a housing project in Torere. In conjunction with Habitat for Humanity (HFH) and Housing New Zealand, the credit union arranged 21 interest-free mortgages to build new homes. As most of the recipients were first-time buyers on social assistance, a variety of budgeting and homeownership courses were included in the package to ensure successful management of their new investment. Those who were chosen also had to donate 500 hours of time to the construction of their new homes.

“For many of our residents, it was the first time in years they had gotten up early to be involved in something that was meaningful to them,” says Mio. Residents learned to appreciate their million-dollar ocean views and recognized the potential of their property for the first time. Many became motivated to find work so that they could do more than simply subsist in their new homes.

The transformation of Torere did not go unnoticed. A volunteer HFH builder, Canadian Dennis Anderson, was so impressed that he later approached the Aboriginal Land Stewardship Community Development Program (offered through Vancouver’s Native Education Centre) to arrange an exchange between the two communities. Would the AWHI model work in Canada? Anderson had spent time with the Heiltsuk Nation in Bella Bella, a small, isolated island off the central coast of B.C. According to Statistics Canada, Bella Bella has one of the highest unemployment rates in the country, three times the national average. Anderson says that housing here is basic at best, and self-esteem is low. The nearest town, Port Hardy, is nine hours away by ferry, and opportunities for employment outside the dying commercial fishing industry are meagre, leaving few prospects for young people other than welfare.

In 2008, Pauline Waterfall, a respected teacher and member of the Heiltsuk Nation visited Torere, where she instantly saw the parallels and possibilities. “Historically in Canada, through the Indian Act, native populations were not allowed to have disposable cash,” says Waterfall, speaking from her office at Heiltsuk College. She says this has added to feelings among First Nations that money “doesn’t belong to them.” She was impressed at how AWHI created financial prosperity, self-esteem, and empowerment from inside the community. “It is a very holistic model for building economic and cultural capacity among people who normally don’t have access to these services.”

Kitta and Rachell Mio made a reciprocal visit to Canada, and they agree that Bella Bella would benefit from its own credit union, but fear it would flounder without support. They are hoping that a Canadian credit union will see the value of a model based on self-determination, and will back the implementation of an AWHI-style institution in Bella Bella.



It won’t be easy. No one at AWHI was paid for the first seven years, and Mio and the others still volunteer many late nights and devote long hours to make sure that their credit union survives.

While mergers seem to be the way of the future for credit unions, Mio says that it is AWHI’s ability to respond on a community, not a corporate level that has engaged her people. Financial institutions like the Affinity Credit Union in Saskatchewan and the First Nations Bank of Canada are trying to reach out to First Nations by including them in an existing system, but AWHI has created a model that begins with indigenous values and adapts Western ones as needed. With the right support, Pauline Waterfall feels that the Heiltsuk Nation could also create and run its own credit union. “I think AWHI has created a model that can be used anywhere. The template is there, and the demonstration of success is there,” she says.

Clearly, the Maori have set an example that breaks down barriers on their own terms, inviting the financial system onto their side of the fence rather than the other way around. [E](#)

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