



Cooperation Works!



What is a Co-op?

- A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

(International Cooperative Alliance, 1995)



What Does This Mean?

- Member-driven organizations
- People are freely working together
- Meeting common needs
- Owners are the users (or workers)
- Economic enterprises that can also meet social and cultural needs
- Democratic organizations

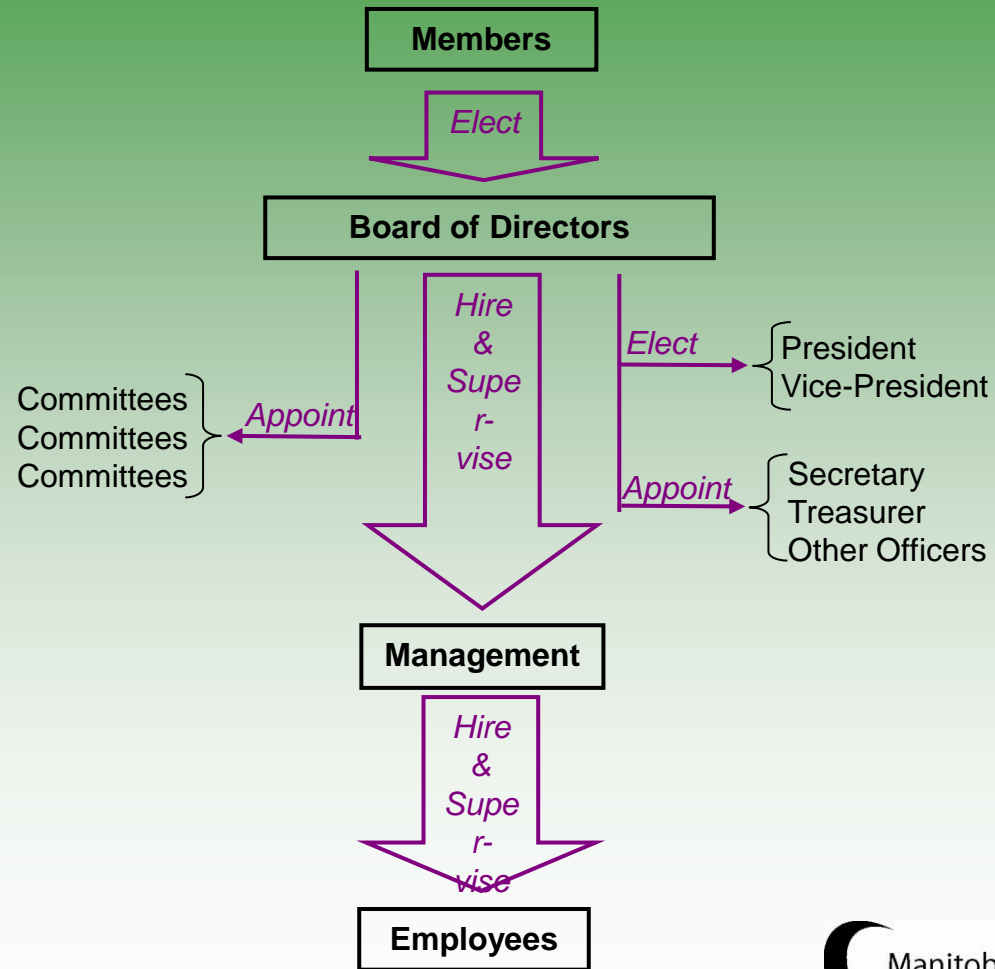


Cooperative Principles

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education and Training
6. Cooperation among Co-ops
7. Concern for Community

(International Cooperative Alliance, 1995)

Co-op Organizational Structure





Why People Form Co-ops

- People feel they have no power in the marketplace
- No one or no existing organization is providing a service they need
- Their jobs or their communities would disappear if they didn't join together to save them
- They want to keep control and the profits (surpluses) of a business in the community



Co-ops and Other Businesses: There is a Difference

Cooperatives

- Formed to provide goods and services to members.
- Owned and controlled by members.
Members use co-ops services

Other Businesses

- Formed to make a profit for its shareholders
- Owned and controlled by people who might never use the services of the business.
Shareholders might never see the business



Co-ops and Other Businesses: There is a Difference

Cooperatives

- A union of people
- Democratically controlled. Each member has one vote

Other Businesses

- A union of money
- Controlled by those with the most stake or shares. Control depends on the number of shares the investor owns. People with more money can buy more shares. This buys them more votes, and more power



Co-op and Other Businesses: There is a Difference

Cooperatives

- Locally owned by its members who live in the community.
- Organizations in which profits (surplus) are returned to the community based on patronage.

Other Businesses

- Owned by investors who may live far away from the community
- Organizations in which profits go to the owners (based on shares owned) who may not live in the community and may never have used its services.

Co-op Facts

- There are approximately 9,000 co-ops in Canada, providing products and services to 17 million members.
- Canadian co-ops have more than \$330 billion in assets, owned by their members and the communities they serve.
- Canadian co-ops employ 150,000 people and are led by 100,000 volunteer directors and committee members.

Co-op Facts

- There are approximately 400 co-ops in Manitoba with a membership of over 830,000.
- Manitoba co-ops have more than \$16 billion in assets, 6,500 employees, and \$1.9 billion in revenue.
- In 2007, Manitoba cooperatives returned over \$135 million back to members in the form of patronage.



Co-op Facts

- Canada has the highest per-capita credit union membership in the world: 33 per cent of Canadians are a member of at least one credit union.
- In Manitoba there are 68 communities where a credit union is the only financial institution.



Co-op Facts

- The survival rate of co-ops is higher than that of traditional businesses. A 2008 study in Quebec found that 62 per cent of new co-ops are still operating after five years, compared with 35 per cent for other new businesses. After 10 years, the figures are 44 per cent and 20 per cent respectively.

The Co-op Movement

- The Manitoba Cooperative Association (MCA) is a cooperative of cooperatives – created by its members to enhance and support the development of a strong, united and influential cooperative movement in Manitoba.
- The MCA is linked to the national co-op movement through the Canadian Cooperative Association (CCA).
- Through its international development work and its membership with the International Cooperative Alliance, the CCA links us to the worldwide cooperative movement.


Types of Co-ops

- Marketing/Producer
- Consumer/Retail
- Worker/Employment
- Housing
- Service
- Financial
- New Generation
- Multi-Stakeholder



Consumer Co-ops

- Consumers own and govern this type of cooperative.
- Profits are distributed among the consumer-members at year end.
- Typically, you don't have to be a member to shop at a consumer cooperative.
- Common in rural communities but also in many Canadian urban areas.



Consumer Co-ops – Some examples

- Minnedosa Fitness Centre
- Heritage Co-op – Minnedosa & Brandon
- Mountain Equipment Co-op



Worker Co-ops

- One membership share = one vote.
- Typically, members must first serve a “probationary period”.
- Profits (and losses) are allocated to members depending on “usage” or hours worked.
- 80% of the Board must be workers.
- After 5 years, 75% of the workers must be members.




Worker Co-ops – Some examples:

- Organic Planet
- Neechi Foods
- Mondragon



Producer / Marketing Co-ops

- Members operate separate businesses or farms, but collectively own the producer / marketing co-op to help them sell their goods or services.
- Pooling together allows producers to receive a fair price for their products/services and to control all aspects of their industry
- Patronage return is dependant on 'usage' of the cooperative.



Producer / Marketing Coops – Some examples

- Bee Maid Honey
- Manitoba Pork Marketing Co-op
- MB Bed & Breakfast Marketing Co-op
- Eastern MB Artist's Co-op
- Granny's Poultry Cooperative



Co-op Resources

- Manitoba Housing and Community Development –
www.gov.mb.ca/housing/coop/
- Co-opZone - www.coopzone.coop
- Cooperative Development Initiative (CDI) –
<http://cccm.coopscanada.coop/en>
- Manitoba Cooperative Association – www.manitoba.coop



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