

CO-OPS 101

FACT SHEET



WHAT IS A CO-OPERATIVE?

A co-operative is an organization owned by its members that share similar economic, cultural, and/or social needs. Each member has the right to vote, giving them democratic power within the organization.

The concept of co-operation and mutual aid exists in various forms and across all cultures and communities. In Canada, the term co-operative specifically refers to a legally incorporated entity that is jointly owned by its members, which was established according to a set of principles. Co-operative enterprises are deemed “for profit” if they can or do distribute profits to members, and non-profit if they do not.

WHAT IS A MUTUAL?

The term “mutual” is almost always—but not exclusively—used to describe insurance companies in Canada. In a mutual insurance company, the policyholder represents both the insured party and a participant in the company—as in the case of a co-operative.

Co-operatives and mutuals are found in almost every industrial sector, including but not limited to housing, agriculture, wholesale and retail, financial services, education, funerals, health, public services, insurance, natural resources and more! To discover them, we encourage you to use our [comprehensive map, and online directory](#).

TYPES OF CO-OPERATIVES



CONSUMER CO-OPERATIVE

The co-operative provides products or services to its members (such as a retail, housing, financial services, utilities, and childcare).



PRODUCER CO-OPERATIVE

A producer co-operative processes and markets the goods or services produced by its members, and/or supplies products or services necessary to the members' professional activities.



WORKER CO-OPERATIVE

The members are both the employees and the owners of the co-operative (such as professional advisory services and trades, as well as the food and forestry industries).



MULTI-STAKEHOLDER CO-OPERATIVE

The members are a group of consumers, employees and even, sometimes, producers that share a common goal, such as healthcare, home care and community-based enterprises.



WORKER-SHAREHOLDER CO-OPERATIVE

They allow the employees of a specific company to become members, along with other auxiliary members, in order to be collective shareholders in the company that employs them.



NEW GENERATION CO-OPERATIVE

New generation co-operatives address capital, marketing, and other challenges of value-added processing by spreading capital contributions and risk among multiple members. New generation co-operatives typically have closed membership and sell stock in the co-operative that creates transferable delivery rights for members.



COMMUNITY SERVICE CO-OPERATIVES

These are co-operatives whose main objective is to carry out activities and provide services that are primarily intended for community members and the general well-being of the community. Operating on a not-for-profit basis, these co-operatives can sometimes obtain charitable status.