

Co-operatives Explained

What this document covers:

- Structure
- Types of co-ops
- Why do people start co-ops?
- Co-op differences
- Examples of co-op enterprises

Who is the Ontario Co-operative Association?

We are a provincial association that assists co-operative businesses across Ontario with advocacy, business development, education, training and support. We are a non-profit co-operative business, and our membership represents 85% of co-operative businesses in Ontario.

[Visit Ontario Co-operative Association](#)

What is a Co-operative Business?

A co-operative business is a type of corporation that is owned by at least 3 people. Co-operatives are businesses that are jointly owned by the people who use the business; this might include using the co-op's services, buying the products the co-op sells, or working there. We call these groups of people owners or members.

Co-operatives come in many forms. They can be large or small, for-profit or non-profit, and operate across any industry. Co-ops are regulated under their own separate acts, and can be incorporated provincially or federally. They can also exist as informal groups that work together to solve problems or help members achieve economic, cultural, or social goals. In all their iterations, co-ops uphold practices that promote economic democracy, like giving members a say in how the enterprise is run, pooling resources for the betterment of all, and distributing profits or benefits equitably. This approach aligns with the solidarity or social economy.

“The point of co-ops is that you pool your resources and use the bulk of what you pool together. Either it's enough, or if it's not enough, it leverages for other things. It's all about what's possible.” - Jessica Gordon-Nembhard



[Watch a video](#) : What is a co-operative?

[Watch a video](#): Solidarity Economics: Jessica Gordon-Nembhard

Types of Co-operative Businesses

Co-operatives are categorized by their members and/or by the industry they operate in, for example, housing co-ops or renewable energy co-ops. Here are some examples of different types of co-operatives:

Consumer Co-operatives are owned by the customers who buy the products or services.

Examples of consumer co-ops:

- [Grocery stores](#) owned by the customers that shop there.
- Co-operative banks (also known as [credit unions](#)) owned by the customers that have bank accounts there.
- A [housing complex](#) owned by the people that live there.

Worker Co-operatives are owned by the people that work at the business.

Examples of worker co-ops:

- A [video game studio](#) owned by the designers that work there.
- A [coffee shop](#) owned and operated by the people who work there.
- A [technology-based business](#) owned and operated by the people who work there.
- A [video production company](#) owned and operated by the people who work there.

Producer Co-operatives are owned by the people that provide the products or services that are processed, marketed, and/or distributed by the business.

Examples of producer co-ops:

- A [dairy co-op](#) owned by the farmers that provide the milk. The dairy co-op processes the milk into different products that it markets and sells to stores and restaurants.
- An [artist co-op](#) that is owned by the artists or artisans that create the finished art. The artist co-op markets and sells the art to the public.

Housing Co-operatives are a type of consumer co-operative, but they deserve special recognition because they make up over 50% of all the co-operatives in Ontario.

- Housing co-operatives are housing complexes or apartments where residents have ownership over the place where they live and are involved in the day-to-day running of the co-operative.
- They are less precarious than renting because the building isn't owned by a landlord who can sell the building, make big increases in the rent that you pay, or evict you without cause.
- They are more affordable because most of them are operated as non-profit co-operatives.
- Housing co-ops are sometimes created for a certain group of people, like students, seniors, artists, low income earners or people in the LGBTQ2s+ or BIPOC communities, but typically they are open to anyone who is looking for a safe, affordable place to live with a strong sense of community.

Watch these videos on housing co-ops:

 [Video from the BC Co-operative Association](#)- explains housing co-ops.

 [Video from Caroline Housing Co-operative](#)- follows the journey of a group of tenants in Hamilton, ON from being renters to purchasing their building and converting it to a collectively owned housing co-op.

What Kinds of Businesses are Co-operatives?

Co-operatives can be almost any type of business you can think of. Co-ops can work in any situation where you have a group of like-minded people who want to work together for a common goal.

Some examples of when co-ops work well are:

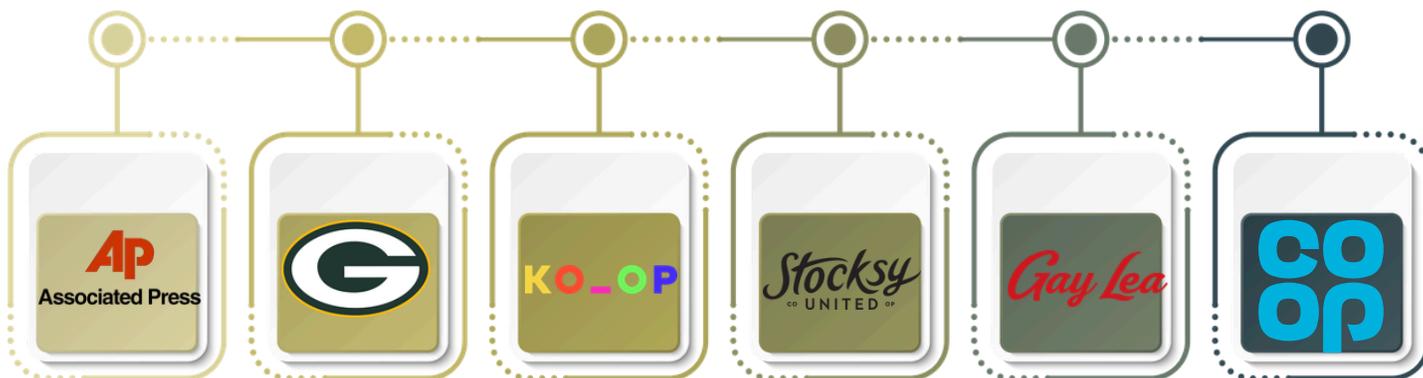
- Where there's a specific social or economic need that's not being met, for example creating job opportunities for adults with disabilities, mental health issues, or other barriers to meaningful employment.
- In creative industries that are often exploitive to the artists themselves, like the arts, music recording and production, video game design, film-making, and photography.
- Within a niche market.
- Where there's a gap in service that isn't being met by the public or private sector like telecommunications services in rural or remote areas, mental health services, or home care.
- Where social and economic issues intersect, for example food insecurity, lack of affordable housing, or precarious employment.
- As an option for business succession, where the owner of a business is exiting and instead of closing the business, ownership is taken over by the employees.

 [Click here](#) to watch a video about *Whole Women Network* and find out how co-operatives can bring people together to strengthen communities and create opportunities that benefit its members.

Co-ops are everywhere: you can find them in farming, the trades, financial services, the arts, consulting, even sports and technology, pretty much any kind of business you can think of. Instead of being owned by one boss or a few investors, co-ops are owned and run by the people who use them, so they show up all over the world wherever communities want more control over their jobs and services.

Here's a few examples of high-profile co-ops representing a diverse range of different sectors.

(Click logos to visit websites.)



What Makes Co-operatives Different?

- Co-operative businesses are never publicly owned and their shares cannot be bought and sold on the stock market.
- The owners (also known as members) of a co-operative each own one share of the co-operative, and each member is entitled to *one vote* when decisions are being made. Members can only ever own one voting share. Co-operatives are a democratic type of business; they are set up so that each owner has an equal amount of decision-making power.
- Co-operatives do not exist for the sole purpose of maximizing profit. They prioritize people, the planet, and principles, over profit.
- Co-operatives follow a set of 7 principles that informs their structure and purpose. The principles set expectations for co-ops to:
 - Act in the best interests of their members
 - Give back to their communities
 - Offer training and education to their members and staff
 - Operate democratically and ethically
 - Involve their members in decision making

The 7 Co-operative Principles are:

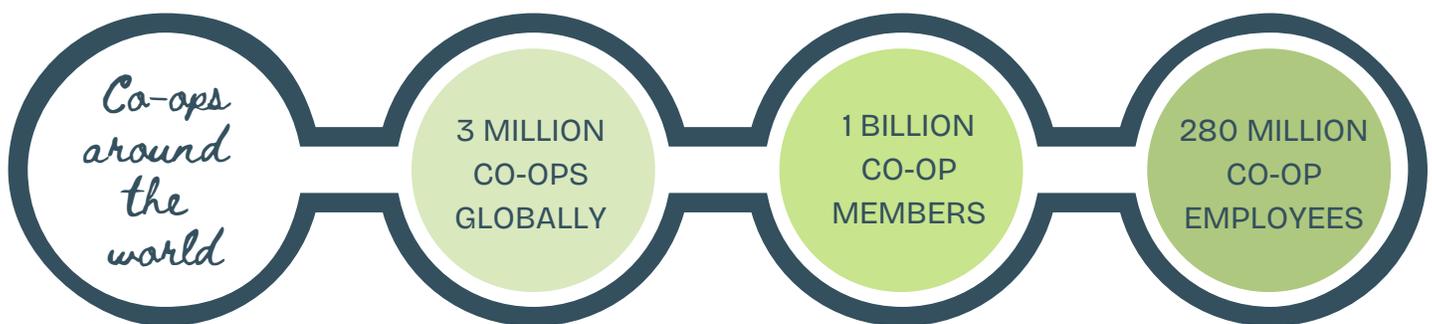
1. **Voluntary and open membership:** Members choose to join the co-op voluntarily, and can leave whenever they want to.
2. **Democratic member control:** Co-ops are owned and controlled by their members, they follow a *one member = one vote* structure, offering the opportunity for all members to be involved in making decisions.
3. **Member economic participation:** Members contribute to the co-op financially and democratically decide how profit will be distributed.
4. **Autonomy and independence:** Co-ops cannot be owned by the government or other businesses, they are self-governed and when entering partnerships or raising capital, they do so in a way that doesn't compromise democratic member control.

5. **Education, training and information:** Co-ops provide education and training to members, board directors, management, and staff so they can contribute effectively to the co-op.
6. **Cooperation among co-operatives:** Co-ops serve the interests of their members and contribute to the success of the co-operative sector at large by working together.
7. **Concern for community:** Co-ops value people over profit and contribute to the sustainable development of their communities.

Are Co-operatives only found in Ontario?

There are **1,181 co-operatives in Ontario** but co-operatives operate all over the world. There are over **3 million** formal co-operatives worldwide, found in 90 different countries. All co-operative businesses follow the same 7 Principles, and all co-operatives are owned by their members.

In Canada there are over **6,500 co-operatives** with almost **200,000 employees**, and in 2021 co-ops contributed **\$52.8 billion dollars** to the Gross Domestic Product (GDP). Beyond their economic impact, Canadian housing co-ops provide affordable and stable housing for more than **250,000 people** in over **90,000 households**. Informal and formal co-ops are an important part of the solidarity economy, addressing social and economic challenges and contributing to a more human-centered economy. In many cultures around the world, cooperation is built into social, economic and governance systems. In North America we have a storied history of Indigenous, Black, and immigrant communities building co-operative systems for the betterment of all, which have contributed greatly to the co-operative movement all around the world.



Key Points About Co-operatives

- Co-operatives are businesses that are owned by their members, who use the services of the co-op.
- Members own and democratically operate the co-op using a *one member = one vote* system.
- There are different types of co-ops and their names reflect who their members are or the industry they operate in. Examples are: Consumer Co-ops, Worker Co-ops, Producer Co-ops, Housing Co-ops.
- Co-ops are created first and foremost to fill a need for their members; this might be providing products, services, or employment for their members, or addressing some other need in their community.
- Co-ops are found all over the world in every size and industry imaginable.
- Co-operatives are value-based businesses that care about the triple-bottom line: people, planet and profit.
- Co-operatives can be non-profits, charities, or for-profit businesses.
- Co-ops can be as small as 3 members or as large as 10 million members.
- Co-operatives all follow a set of 7 guiding principles.
- Because co-operatives have a different purpose and ownership model than investor owned corporations, they don't have the same pressure to maximize profit for shareholders and instead, prioritize serving the needs of their members.

Co-operatives you may recognize:

[Ocean Spray](#) (Producer Co-operative) - Owned by 700 cranberry and grapefruit farmers in North & south America.

[Gay Lea Foods Co-operative](#) (Producer Co-operative) - Dairy co-op that processes, markets, sells, distributes products made from milk sold to the co-op by its members. Owned and controlled by its members made up of 1,400+ dairy farmers in Ontario and Manitoba.

[Home Hardware](#) (Retail Co-operative) - The chain is collectively owned by over 1,100 independently owned member stores. They share marketing, branding, distribution, buying power, etc.

[Co-operators](#) (Financial Co-operative) - One of Canada's largest insurance and investment providers.

[Desjardins](#) (Financial Co-operative) - Started in 1900 as North America's first credit union. Now the largest financial co-operative in North America.

[Agropur](#) (Producer Co-operative) - Dairy co-operative owned and controlled by its farmer members, producing many different brands in Canada and the U.S.

[Associated Press \(AP\)](#) - An American non-profit co-operative. Its members are U.S. newspapers and broadcasters. Many newspapers and broadcasters outside the United States are AP subscribers. AP is one of the largest and most trusted sources of news in all formats in the world.

[Green Bay Packers](#) - A co-operative, non-profit, community-owned professional sports team owned by 361,300+ fans and are the most successful team in NFL history.

[Saskatchewan Roughriders](#) - A co-operative football team in the Canadian Football League. Owned by approximately 12,000 fans.

Student Housing Co-operatives in Ontario

Student Housing Co-operatives are non-profit student housing. Accommodations for students by students. The members (residents) make decisions about their individual residence and the organization as a whole that best suit their needs. Student co-operative housing is more affordable than other types of student housing and gives residents a say in how their housing is operated.

[Kingston Student Housing Co-operative](#) (Kingston, ON)

[Campus Co-operative Residences](#) (Toronto, ON)

[Neill-Wycik](#) (Toronto, ON)

[WCRI](#) (Waterloo, ON)

[Guelph Campus Co-op](#) (Guelph, ON)

Design & Technology Co-operatives:

Hypha Co-operative - We build digital systems people can rely on through community input, democratic processes, and shared ownership. (South-Central Ontario)

Meet.coop - Online meeting and conferencing tool. (UK)

Ko_op - Video game studio (Montreal, QC)

Baseline - AI solutions (Quebec City, QC)

CanTrust Hosting - Website and App hosting. (Canada-wide)

Loomio - Collaborative decision-making tool. (UK)

Sustainable Solutions Co-operatives:

Sun Certified Builders Co-operative - Build residential and commercial buildings optimized for energy efficiency, environmental sustainability, and long term durability. (Winnipeg, Manitoba)

ZooShare Co-operative - Our biogas plant is turning inedible food waste into renewable power for the Ontario grid. A by-product of this process is fertilizer, which can help to grow local food. (GTA)

Aster Group Co-operative - Delivers environmental consultation services. (New Brunswick)

Sustainability Solutions Group Co-operative - SSG is an award-winning climate action planning firm. We create state-of-the-art climate mitigation and adaptation plans for municipalities, governments, organizations, and campuses across the Americas. (Canada-wide)

Co-operatives in the Arts:

Aron Theatre - Movie theatre and live venue, owned by community members. (Campbellford, Ontario)

Seize the Means - Makes cinema-quality production services available to values-aligned organizations at the forefront of social change. (Vancouver, BC)

Valley Artisans Co-op - Artist and artisan owned gallery. (Ottawa, ON)

Tenk - A solidarity cooperative dedicated to the promotion of creative documentary cinema. (Tiohtiá:ke / Montreal)



Professional Services:

[The Kitchen Collective](#) - A non-profit, affordable commercial kitchen and culinary incubator. (Hamilton, Ontario)

[Black Women Professional Co-operative](#) - A multi-stakeholder co-op that aims to empower women professionals and entrepreneurs, including those in the food ecosystem, to operationalize their businesses, and scale up products and services to mainstream local channels and international markets. (Toronto, Ontario)

[Transform Practice](#) - A not-for-profit consulting co-operative. We offer expertise in design, facilitation, reflective practice, evaluative learning, and strategy. (Canada)

[Ambient Book-keeping](#) - Accounting and bookkeeping services. (Saskatoon, Saskatchewan)



Healthcare:

[Homecare Workers Co-operative](#) - Home care co-op, owned and run by the PSW's and other care workers that work there. (Peterborough & Durham, Ontario)

[Healthy Minds Co-operative](#) - Delivering accessible, community-based mental health support. (Dartmouth, Nova Scotia)

[Outaouais Paramedics Cooperative](#) - Provide the Outaouais population with the highest quality pre-hospital emergency services while working collectively to improve their working conditions and environment. (Quebec)

[Brave Co-operative](#) - Brave makes overdose detection tools that activate life-saving community response. (British Columbia)



Food Service:

[The Seasoned Spoon](#) - Cafe with a mission to grow a regional food system that is sustainable, inclusive and just. (Trent University Campus, Peterborough, ON)

[Lunik Co-op](#) - Glendon College's student-run and student-owned cooperative cafe and social space. (York University Campus, Toronto)

[Glitter Bean Cafe](#) - Glitter Bean Cafe is a queer-centric, unionized, worker-owned co-op offering specialty coffees, teas, baked treats, light fare, liquor service, catering, venue rental and community events! (Halifax, Nova Scotia)

[Eadha Bread Co-operative](#) - Eadha Bakery Co-op is a small bakery that specializes in Sourdough Bread and Pastries and strives to be an active and supportive member of the communities we exist in. We operate under a Queer, Anti-racist, De-colonial mandate. (Winnipeg, Manitoba)



Retail & Wholesale:

London Food Co-op - A customer owned grocery store. Any surplus made from the operation of the Co-op goes to maintaining the store and purchasing new inventory. (London, Ontario)

Karma Grocery Co-op - Karma is a not-for-profit, democratically run co-operative owned by its 700+ members. We specialize in organic, local, fair trade and zero waste products. (Toronto, Ontario)

Garden Centre Group Co-op - Benefits for members extend far beyond the advantages of purchasing power, importing and comprehensive group buys. Members regularly share ideas, experiences, trends and best practices with other members. (Mississauga, ON)

Modern Sales Co-op - Modern Sales Co-op provides its members with opportunities that would normally be unavailable if operating on their own, with connections to some of the largest vendors in the world and purchasing power unrivalled in Canada. Better buying power for everything from automotive, marine and heavy equipment parts, to cleaning supplies and more. (Barrie, Ontario)



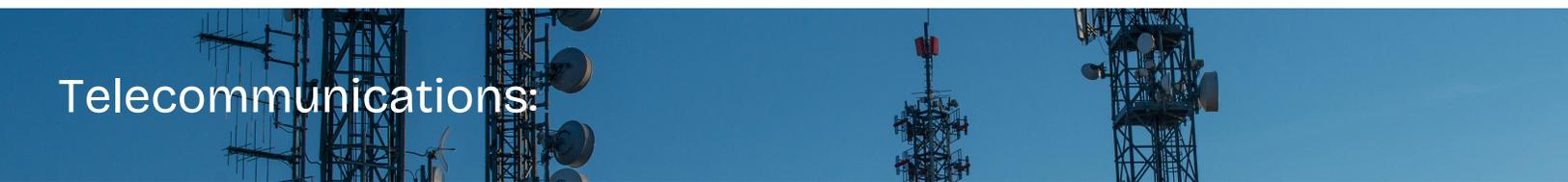
Agriculture:

Ontario Dairy Goat Co-operative - North America's leading producer of fresh, high quality goat's milk, through supplying Processors with quality goat milk while providing exceptional value that supports our members growth with sustainable pricing. (Teeswater, Ontario)

Growmark - GROWMARK is an agricultural cooperative serving cooperatives, retailers, businesses, and customers in the U.S. and Canada. (Canada and International)

Beet Box - BeetBox Co-Op is a vibrant urban farm rooted in the Nepean greenbelt, growing fresh, organic vegetables with care. (Ottawa, Ontario)

Beef Farmers of Ontario - Advocate and unified voice for the province's 19,000 beef farmers, representing all sectors of the industry. (Guelph, Ontario)



Telecommunications:

Hay Communications - Providing progressive global communications and other technological services to all potential customers within our growing network reach. (Zurich, Ontario)

Quadro Communications - Customer owned, community focused communications services and support. (Kirkton, Ontario)

Brooke Telecom - Providing reliable, state of the art communication services to customer members. (Inwood, Ontario)



Social Purpose:

[Team Werks Co-operative](#) - A social enterprise providing employment options and opportunities for consumers of mental health services. (Thunder Bay, Ontario)

[Y's Owl Maclure Co-operative Centre](#) - Collaborating with individuals with developmental and intellectual disabilities, it supports approximately 300 members and offers a wide range of services, including on site and community-based programs. (Ottawa, Ontario)

[Common Ground Co-operative](#) - Social enterprise opportunities for adults on the Autism Spectrum, and for adults with Down Syndrome and other developmental disabilities. (Toronto, Ontario)



Renewable Energy:

[SolarShare](#) - Owns and operates solar energy installations that any Ontario resident can invest in. (Toronto, Ontario)

[Ottawa Renewable Energy Co-operative \(OREC\)](#) - Develops local renewable energy projects in Ontario communities. (Ottawa, Ontario)

[Community Energy Development Co-operative \(CED\)](#) - Championing the acceleration of renewable energy development in Ontario. (Kitchener, Ontario)

Links to Additional Resources

[Co-operatives and Mutuals Canada](#) - Canada's apex organization of co-operatives and mutuals.

[International Co-operative Alliance](#) - The International Cooperative Alliance unites, represents and serves cooperatives worldwide.

[Co-op Convert](#) - Review results of a research project that aims to better understand the business transition option of converting to a co-operative.

[Co-operatives in Canada: Success Stories](#) - A showcase of inspiring Canadian success stories to promote the co-operative model and its positive impact on our communities.

[Stories.coop](#) - Celebrating co-operatives through storytelling.

[Choose Co-operative!](#) - A comprehensive list of co-operative organizations representing diverse business sectors across Ontario and beyond.

[Co-ops 4 Co-ops](#) - A list of Canadian co-operative service providers.