

Seven Principles of Co-operatives

Brighton Yards Housing Co-op is just one of thousands of co-operative enterprises in Canada. Co-operatives have been formed to offer a wide range of goods and services to its members. In addition to affordable housing, co-ops have been formed to provide financial services (credit unions), employment (worker co-ops), as well as consumer products such as food, agricultural products, building supplies, etc. While the services offered by co-ops vary from co-op to co-op, all co-operative enterprises share a commitment to the same fundamental principles of co-operation.

The following universal principles were established by the International Co-operative Alliance in 1966. They continue to guide the day to day operation of co-ops of all descriptions throughout the world:

- 1. Voluntary and Open Membership**

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

- 2. Democratic Member Control**

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

- 3. Member Economic Participation**

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6. Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

***Adopted by the International Co-operative Alliance, 1966**