**CO-OPERATIVES AND THEIR FUNCTIONS**

**WHAT IS A COOPERATIVE?**

A Co-operative is a business owned and democratically controlled by the people who use it. It can be almost any kind of business. For example, it may be a **Consumers' Co-operative** which provides food and clothing or farm supplies. It may be a Service Co-operative which provides medical and hospital care, or electrical service, or any other service. It may be a **Marketing Co-operative** which processes and sells commodities for its members. It may be a **Credit Co-operative** which provides a place for members to save their money or to obtain a loan at a fair rate of interest. Or it may be a **Multipurpose Co-operative** which combines two or more of these different types for the purpose of serving members needs.

A Co-operative is a business organization that is owned by those who use its services, the control; of which rest equally with its members, and the surplus earnings of which are divided among the members in proportion to the use they make of its services.

A Co-operative Society is **not** composed of persons whose primary aim is to make gains from other people. It is **not** composed of a body of shareholders who have no interest, except so far as their money is concerned, in the work, which the organization is doing; it is **not** controlled by people who have put the most money into the organization.

**TYPES OF COOPERATIVES:**

1. MARKETING COOPERATIVES –

A Marketing Co-operative is organized to market its members' products and services

*What functions do Marketing Cooperatives carry out*?

• Purchasing of raw materials or products from members

• Processing of raw materials into finished products

• Marketing, distribution and sale of goods and services

*How can members of a Marketing Co-operative benefit*?

• Members have a guaranteed market for the sale of raw materials

• Members are able to benefit from having a standard brand which is more recognized in the global market and is better positioned to compete

• The co-operative is better able to negotiate for higher prices than each individual member

• Saves time and duplication of efforts. Each member can focus on his core competence, for example, the fisherman can focus on fishing while the co-operative can process, package and market the fish

• Members are exposed to training and sharing experiences to improve methods

*What examples of Marketing Co-operatives exist*?

Trinidad and Tobago:

- Cocoa and Coffee Marketing Co-operative of Trinidad and Tobago.

The Caribbean:

- Co-operative Citrus Growers of Dominica,

- Straw Vendors Handicraft Marketing

Co-operative Society of Bahamas,

- Cocoa and Coffee Grower Co-operative of Jamaica.

1. CONSUMER COOPERATIVES:

A Consumer Co-operative is organized to provide goods and services at the lowest possible cost to its members

*What functions do Consumer Co-operatives carry out?*

• Providing commodities such as household items, food items (perishable and non perishable goods) and appliances

• Providing services such as utilities and delivery of goods

• Making bulk purchases for their members

*What are the different types of Consumer Co-operatives?*

• Supermarkets

* Hardware

• Pharmacies

• Household supplies

• Utilities, for example, telephone, electricity, cable services

*How can members of a Consumer Cooperative benefit?*

• Access to food, goods and services

• Provision of competitive prices

• Access to variety, quality, fair weight and measurement

• Possibility of patronage refund

• Ownership in the co-operative

• Possibility of dividend on shares

*What examples of Consumer Co-operatives exist?*

Trinidad & Tobago-

• Cumana Consumer Co-operative Society Limited (a Supermarket)

• NP Employees Consumer Co-operative Society Limited

1. INVESTMENT COOPERATIVES:

An Investment Co-operative is organized to assist members in improving their standards of living by increasing their levels of savings and returns through long term co-operative investment and strategic alliances.

1. WORKER’S COOPERATIVES:

A Workers Co-operative is organized to provide sustainable employment to its members. Members are both the employees and the owners. Workers co-operatives can be organized to provide work in any sector for which the members possess the skills.

1. FISHING COOPERATIVES:

A Fishing Cooperative is organized to provide goods and services to persons involved in the fishing industry

1. JUNIOR COOPERATIVES:

A Junior Co-operative is a saving and investment society, for youths. It is organized among the members of a school, group, club or cultural organization to encourage the habit of thrift and to give its members ample opportunity for engaging in entrepreneurial activity.