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INTERNATIONAL LABOUR OFFICE  
Department of Statistics



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## **Guidelines concerning statistics of cooperatives**

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### **Preamble**

The 20<sup>th</sup> International Conference of Labour Statisticians,

Recognizing the need to produce statistics on cooperatives in all countries of the world,

Recalling the resolution concerning further work on statistics of cooperatives adopted by the 19<sup>th</sup> International Conference of Labour Statisticians (2013),

Recalling the requirements of the Promotion of Cooperatives Recommendation, 2002 (No. 193), in particular the need for national policies to improve national statistics on cooperatives with a view to the formulation and implementation of development policies,

Recalling the existing international statistical standards contained in the resolutions adopted by the International Conference of Labour Statisticians, in particular the resolution concerning statistics of work, employment and labour underutilization adopted by the 19<sup>th</sup> International Conference (2013) and the resolution concerning statistics on work relationships adopted by the 20<sup>th</sup> International Conference of Labour Statisticians (2018),

Recognizing the need for coherence with other existing international statistical standards, in particular regarding the System of National Accounts (SNA),

Endorses the following guidelines and encourages countries to test the conceptual framework on which they are based.

### **Objectives and uses**

1. These guidelines aim to facilitate the development of a set of statistics on cooperatives that will provide an adequate information base for a wide range of descriptive, analytical and policy purposes, taking specific national needs and circumstances into account.
2. Statistics on cooperatives should in particular:
  - (i) allow for monitoring of the contribution of cooperatives to labour markets and the economy;
  - (ii) inform the design, implementation and evaluation of economic and social policies and programmes;
  - (iii) facilitate analysis of groups of workers or members such as women and men, young people and other groups of particular concern.

3. In order to achieve these objectives, the set of statistics should, to the extent possible, include statistics regarding:
  - (i) the number and type of cooperatives;
  - (ii) members of cooperatives;
  - (iii) work generated in cooperatives, including employment and other forms of work defined in the resolution concerning statistics of work, employment and labour underutilization adopted by the 19<sup>th</sup> International Conference of Labour Statisticians (2013);
  - (iv) the economic contribution of cooperatives.
4. Statistics on cooperatives should be developed in consultation with the various users of the statistics, in harmony with other social and economic statistics and in accordance with international standards. These guidelines should serve to facilitate the production of statistics on cooperatives for different purposes as part of an integrated national system that is based on common concepts and definitions.
5. In developing their statistics on cooperatives, countries should endeavour to incorporate these guidelines in order to promote international comparability and to permit the evaluation of trends for the purpose of labour market and economic and social analysis.

#### **Reference concepts and definitions**

6. A cooperative is defined as an autonomous association of persons and/or legal entities united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.
7. Members set up or join a cooperative to benefit from the usage or transactions they have with it. Members have double status as both owners and users of goods and services provided by cooperatives.
8. In accordance with national legislation, members of cooperatives may be persons or legal entities and membership should be open to all persons and entities able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
9. In the SNA, cooperatives are institutional units which are part of non-financial corporations, financial corporations or non-profit institutions (NPIs). If the articles of association of a cooperative prevent it from distributing its profit or surplus, then it will be treated as an NPI; if it can distribute its profit or surplus to its members, it is not an NPI.
10. Cooperatives differ from other corporations in that they are democratically controlled by their members according to the principle of one member, one vote.

11. Cooperatives that are non-profit also differ from other non-profit institutions in that members are the users of goods and services provided by cooperatives and each member contributes to the capital of the cooperative.

### **Types of cooperatives**

12. Based on the main interest of the members of cooperatives, four main types of cooperatives can be distinguished (diagram 1):

- (i) producer cooperatives;
- (ii) worker cooperatives;
- (iii) consumer/user cooperatives;
- (iv) multi-stakeholder cooperatives.

13. In a producer cooperative, the main interest of the members is related to their production activity as enterprises in their own right. The members typically comprise household market enterprises such as small agricultural or craft producers but may also include corporations.

14. In a worker cooperative, members share an interest in the work which is provided by or ensured through the cooperative. The members are individual workers (worker-members) whose jobs are directly assured through their cooperative.

15. In a consumer/user cooperative, members are the consumers or users of the goods or services made available by or through the cooperative. Financial service cooperatives are classified as part of consumer/user cooperatives even if these cooperatives also service producers.

16. A multi-stakeholder cooperative is a cooperative which has more than one type of member with significant involvement in the activity of the cooperative and in which:

- (i) more than one type of member is represented in the governance structure of the cooperative; and
- (ii) no type of member has a dominant position through a majority of votes in the governing body or an exclusive veto over decisions.

Other types of cooperatives may also have more than one type of member but only one type of member is predominant in the governance of the cooperative.

**Diagram 1. Types of cooperatives**

Type of cooperative	Interest of members	Type of member
Producer cooperative	Production activity	Producer-members: - enterprises such as small agricultural or craft producers - may or may not be incorporated
Worker cooperative	Work	Worker-members
Consumer/user cooperative	Consumption	Consumer-members: clients, family of clients, non-profit institutions, producers, corporations
Multi-stakeholder cooperative	More than one interest	Producer-members Consumer-members Worker-members

### **Statistical units**

17. Different units are relevant to the production of statistics on cooperatives. The basic units are cooperatives; members of cooperatives; persons; jobs or work activities; and the institutional units defined in the SNA and the International Standard Industrial Classification of all Economic Activities, Revision 4 (ISIC, Rev. 4).
18. Membership is defined as the number of members of each cooperative.

### **Operational definitions**

19. The definition of cooperatives can be operationalized on the basis of four criteria:
  - (i) A cooperative should be a formally established institutional unit (non-financial corporation, financial corporation or non-profit institution);
  - (ii) A cooperative should be controlled democratically by its members according to the principle that each member has an equal vote;
  - (iii) Membership of the cooperative should be voluntary and non-restrictive;
  - (iv) Distribution of profits or surpluses among the members is not directly linked to the capital contributed by each member.
20. Unregistered cooperatives are enterprises operating in a similar way as cooperatives but are not registered as such. These cooperatives should be identified separately based on criteria (ii), (iii) and (iv) listed in paragraph 19 above.
21. Mutual societies, self-help groups or social ventures (as defined in the SNA) should not be counted as cooperatives.

22. Both persons and legal entities can be members of more than one cooperative. Cooperatives therefore have memberships that may not be mutually exclusive, but membership may be important for groups or types of cooperatives.
23. Statistics of cooperatives should include statistics on the persons and enterprises that are members of cooperatives and statistics on subsidiaries that are not cooperatives, such as incorporated enterprises which are owned or controlled by cooperatives.

### **Work in cooperatives**

24. Work performed in cooperatives can be undertaken by members and by non-members and may include all forms of work defined in the resolution concerning statistics of work, employment and labour underutilization adopted by the 19th International Conference of Labour Statisticians (2013).
25. Work within the scope of statistics on cooperatives includes work performed by members and non-members in:
  - (i) Cooperatives;
  - (ii) Economic units that are members of a producer cooperative or multi-stakeholder cooperative;
  - (iii) Subsidiary enterprises owned or controlled by cooperatives.

Statistics on work generated in cooperatives, in particular statistics on employment, should be compiled and tabulated separately or disaggregated for each of these institutional settings.

26. Worker-members of cooperatives by definition perform work in their own cooperatives. Producer-members and consumer-members may also perform work in their cooperatives. Work is also performed in enterprises that are members of cooperatives while using goods and services provided by or through cooperatives (in particular in producer cooperatives), as well as in subsidiary enterprises that are owned or controlled by a cooperative.
27. Work performed by members of cooperatives which is not related to the cooperative should be considered as work outside the scope of statistics on cooperatives.
28. Worker-members of cooperatives are dependent workers because they do not have the same degree of control over the operation of their enterprise as, for example, a majority shareholder. If these workers are paid a wage or salary for time worked or for each task or piece of work done in the cooperative, they should be classified as employees of their own cooperative; if they are paid only in profit or surplus or paid a fee per service, they should be classified as dependent contractors according to the resolution concerning statistics on work relationships adopted by the 20<sup>th</sup> International Conference of Labour Statisticians (2018).

29. Owner-operators of enterprises that are members of producer cooperatives should in general be classified as independent workers; they may be classified as dependent workers if their business depends significantly or entirely on the cooperative in terms of access to markets, organization or pricing of work (i.e., the cooperative implicitly or explicitly controls the activities of the members) and if they satisfy the criteria to be classified as dependent contractors that are specified in the current standards for statistics on work relationships.
30. Members of cooperatives may perform work in the management or administration of the cooperative. When such work is performed for pay from the cooperative by the owner-operators of enterprises that are members of producers' cooperatives, it should be considered for statistical purposes as a job in the cooperative. When members of producer cooperatives perform such work without pay from the cooperative, it should be considered as employment in the workers' job in the member-enterprise; when performed by worker-members of cooperatives, with or without pay, it should be considered as employment in their job in the cooperative. If consumer-members perform any type of work in their cooperative without pay it is volunteer work.
31. Non-members can perform work in all types of cooperatives, including as employees and as volunteers.

#### **Data collection, tabulation and analysis**

32. To assess the economic contribution of cooperatives it is important to take the characteristics of different types of cooperatives into account. Different measures of this contribution may be needed depending on the type of cooperative (and thus the interest of the members). For this purpose, information should be collected on employment, revenue, value added, assets, liabilities, the use of profits or surpluses, investment and the earnings of workers within the scope of statistics on cooperatives. Information should also be collected on the (share of) transactions with members and non-members.
33. Comprehensive statistics on cooperatives, members of cooperatives and jobs or work activities performed within the scope of statistics on cooperatives should be published on a regular basis, if possible at least every five years. Such comprehensive statistics should preferably be based on a census of cooperatives but may also be based on periodic sample surveys.
34. To the extent possible, statistics should be compiled separately for cooperatives, enterprises that are members of cooperatives and enterprises that are owned and controlled by cooperatives.
35. Regular (preferably annual) monitoring of cooperatives can be based on administrative records if these are adapted for statistical purposes and on establishment surveys; data on persons who are members of cooperatives can also be collected through household surveys.

36. Statistics of cooperatives should be systematically tabulated, as follows:
- (i) By the four main types of cooperatives listed in paragraph 12 above, as well as by nationally specific sub-types where relevant and feasible;
  - (ii) By branch of economic activity;
  - (iii) By regions relevant to national purposes, including by urban and rural areas.
37. Statistics on persons who are members of cooperatives, including owner-operators of enterprises that are members of cooperatives, as well as statistics on employment in cooperatives, should be systematically disaggregated by significant characteristics of the person, in particular by sex, age group, geographical region and urban and rural area, and by type of member.
38. Statistics on employment generated in cooperatives should be systematically disaggregated by significant characteristics of the job, including status in employment, occupation and the economic activity of the cooperative, as well as by characteristics of the jobholder, including by sex and age group.
39. If possible, inactive cooperatives should be identified separately and excluded from statistics on cooperatives.

#### **Future work**

40. The ILO, in collaboration with interested countries and institutions, should arrange for testing of the concepts and definitions presented in these guidelines.
41. The ILO, in collaboration with interested parties, should work on the development of measures to assess the economic contribution of cooperatives.
42. The ILO, in collaboration with interested countries and institutions, should continue methodological work related to these guidelines, and in particular with regard to cooperative-like and non-registered units.