



**Economic Information Observatory**  
a regional cooperation project between  
**Atlantic Canada** and **Saint-Pierre and Miquelon, France**

*The Co-operative Movement : the Strength through unity*



Atlantic Canada (p. 1-4)

Saint-Pierre and Miquelon, France (p. 5-8)



## The Co-operative Movement in Atlantic Canada

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In Canada, co-operatives are based on a **long-established model**, and in the Atlantic Canada region, the roots of the co-op movement can be traced as far back as **1864**, for example, in Prince Edward Island with the founding of the **Farmers' Bank of Rustico, the first community-based bank** in Canada, and in **Nova Scotia, where the first consumer co-operative** was established in Stellarton. In the early 20th century, the co-operative movement made it possible to offer services to communities while also improving economic conditions for its members through management by and for the community. Decades later, co-operatives still played an important role in the farming, fishing and financial credit sectors. The co-operatives of today continue to create jobs and contribute to the success of sectors across the economy such as health care, housing, transportation, child care, funeral services, culture and tourism, immigrant intake, telecommunications, energy production and recycling. For Canadians, co-operation remains a core ingredient of the social fabric.

### A co-operative is...

*... a legally incorporated, democratically and jointly controlled corporation owned by an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs such as access to products or services, sale of their products or services, or employment.*

*Co-operatives are businesses owned and operated by and for their members. Driven by values and not just profit, they seek to provide services to their members that are aligned to their values and those of their communities. They strive with their actions to be socially responsible. 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.*

**Source:** Statement on Co-operative Identity of the International Co-operative Alliance / Industry Canada

### Seven fundamental principles

Seven universal principles have guided the actions of co-operatives since the late 19th century as defined by the International Co-operative Alliance (ICA) upon its founding in 1895 and revised in 1995.

These principles are based on values adopted by the original founders of co-operatives, including self-help, self-responsibility, democracy, equality, equity and solidarity. Co-operative members believe in the ethical approach of honesty, openness, social responsibility and caring for others.

- Principle 1:** Voluntary and open membership
- Principle 2:** Democratic member control
- Principle 3:** Member economic participation
- Principle 4:** Autonomy and independence
- Principle 5:** Education, training and information
- Principle 6:** Co-operation among co-operatives
- Principle 7:** Concern for community

### Two types of co-operatives in Canada

**Financial** (includes deposit-taking credit unions and *caisses populaires* as well as mutuals involved in life, property and casualty insurance) and **non-financial** (consumer, producer, worker or multi-stakeholder)

- **Producer co-operatives** (agri-food sector, groups of self-employed workers, consultants, etc.)
- **Solidarity co-operatives** (in health care and home services, recreation and tourism, local development, etc.)
- **Work co-operatives** (in forestry, recreation, retail trade, tourism, etc.)
- **Worker shareholder co-operatives** (in production, advanced technology, manufacturing, etc.)
- **Workers' groups** where the workers hold a stake in the private company where they are employed; joining forces as a co-operative, they become shareholders in the company, taking part in decisions concerning administration and work management
- **Consumer co-operatives** (in the food, savings/credit, housing, etc. sectors or as purchasing co-ops)
- **Consumer groups** formed so the members can benefit personally from goods and services.

### The Antigonish Movement

Any discussion about the co-operative movement in Atlantic Canada cannot overlook the enduring influence of the "Antigonish Movement" in the 1930s which arose from activities led in Nova Scotia from a base at the **Extension Department of St. Francis Xavier University**. "Study clubs" organized during that period to review and transform the structures in place in rural communities in order to solve local problems became very popular, with their number increasing from 200 in 1936 to 744 in 1941. An entire series of co-operatives emerged from these educational initiatives, including housing and fishing co-operatives and co-op stores. The movement's focus on collective education reached every corner of the Atlantic region and expanded in various forms to other Canadian provinces.

# Co-operatives: Key Figures

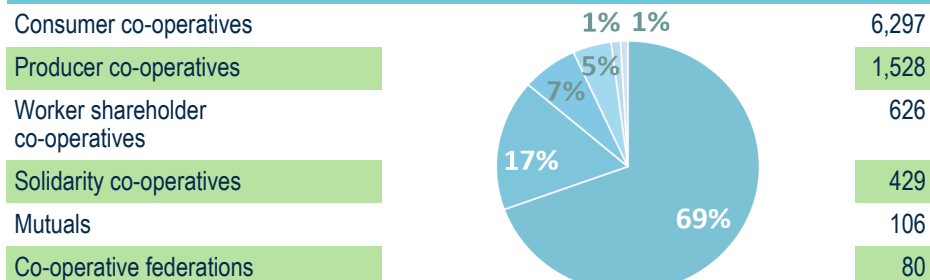
## Co-operatives in Canada in numbers:

- approximately 9,000 co-operatives, credit unions and caisses populaires, including:
- more than 2,700 housing co-operatives, or 1 residence for every 250,000 people
- more than 1,300 farming co-operatives
- more than 660 retail co-operatives
- nearly 900 credit unions and caisses populaires
- approximately 400 preschool or daycare co-operatives
- more than 340 worker co-operatives
- more than 100 health co-operatives
- more than 18 million members
- more than 150,000 jobs created
- 4 of every 10 Canadian adults belong to at least one co-operative
- around one-third of the population are members of a credit union or caisse populaire
- the survival rate of co-operatives is 50% higher than that of conventional companies

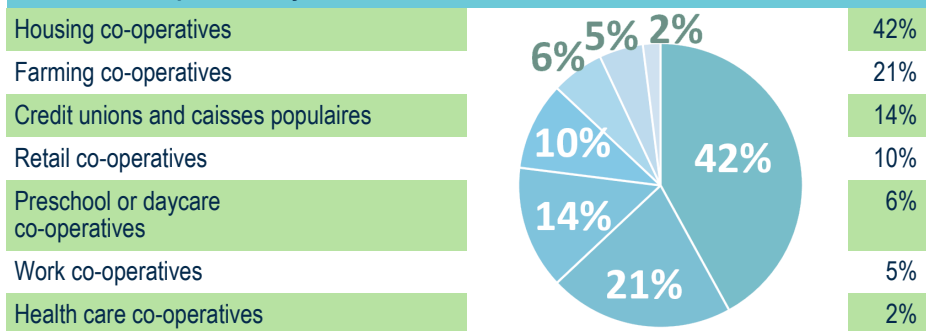
## Co-operatives in Atlantic Canada:

- approximately 750 co-operatives, credit unions and caisses populaires
- 12,000 jobs created
- more than 12,000 people living in co-operative housing in Atlantic Canada

## Number of co-operatives and mutuals in Canada



## Number of co-operatives by sector in Canada



## Number of incorporated non-financial co-operatives in Atlantic Canada

| New incorporations of non-financial co-operatives |              |            |
|---|--------------|------------|
| Total incorporated non-financial co-operatives    | 2016         | 2016       |
| PEI   | 122          | 2          |
| NB  | 172          | 13         |
| NS  | 333          | 15         |
| NL  | 75           | 3          |
| <b>Total – Canada</b>                             | <b>7,791</b> | <b>203</b> |

## Save the date!

### Canadian Association for Studies in Co-operation

May 30 – June 1, 2018, Regina, Saskatchewan

<http://www.coopresearch.coop/>

Conference theme: "Co-operative Strength in Diversity: Voices, Governance, and Engagement."

### CanadaDE – Credit Union Development Education Program

June 3 – 8, 2018, Halifax, Nova Scotia

<http://www.smu.ca/>

This intensive one-week program addresses the pressing challenges that co-operatives and credit unions face today while providing critical lessons in co-operative principles, credit union philosophy and international development issues.

### Co-operative Congress 2018

June 19 – 21, 2018, Victoria, British Columbia

<http://canada.coop/en/events/co-operative-congress-2018>

[Program to be announced.]

### 2nd International Symposium on Accounting and Reporting: Co-operative Socio-Economic Transformation

June 25 – 26, 2018, Oxford, United Kingdom

<http://www.smu.ca/>

The Centre of Excellence in Accounting and Reporting for Co-operatives and Co-operative Management Education of the Sobey School of Business at Saint Mary's University will be co-hosting this symposium.

### EconoUs2018/EcoNous2018 – An Economy that Works for All

September 24 – 26, 2018, Moncton, New Brunswick

<https://www.surveymonkey.com/r/V2QXMY2>

This national community economic development conference taking place in Moncton in the fall of 2018 will feature leading speakers, engaging sessions and tailored networking opportunities about People, Planet and Economy.

### Cooperation 2017 (2018 details to be announced)

<https://cooperation.com/>

"The largest innovation competition in Canada" provides participants the opportunity to submit collaborative projects with sustainable social impact. In 2016, the event brought together 334 participants and featured 43 projects. In 2017, 750 to 1,000 attendees were expected to take part and interact on the theme "Digital Intelligence Serving Individuals and Communities."

### International Summit of Co-operatives (2018 edition to be confirmed)

(biennial event), Québec City, Québec

<https://www.sommetinter.coop/>

At the third edition of the International Summit of Co-operatives in 2016, more than 3,000 participants from 93 countries and every part of the co-operative and mutual sector gathered in Québec City to explore ideas and solutions relating to current and future economic and financial challenges. The summit theme was "Co-operatives: The Power to Act."



## Leading Co-operative Associations in Atlantic Canada

### Canadian Worker Co-op Federation (CWCF)

<http://canadianworker.coop/>

A national network of worker co-ops that provides a high-quality work life and supports the development of healthy, just and sustainable local economies based on co-operative values and principles.

### Co-operatives and Mutuals Canada (CMC)

<http://canada.coop/>

Co-operatives and Mutuals Canada is the national co-operative association launched in 2014 after the coming together of the Canadian Co-operative Association (CCA) on the Anglophone side and the Conseil canadien de la coopération et de la mutualité (CCCM) representing the Francophone community in a historic unification of the co-operative movement. As of 2017, the association represented 60% of Canadian co-operatives and mutuals holding more than 90% of the nation's co-operative assets. The association also works closely with sector-based federations and provincial co-operative associations.

### Credit Unions Atlantic Canada

<http://atlanticcreditunions.ca/about-us/>

The Atlantic Canada credit union system proudly provides a full range of products and services to its members throughout the Atlantic region. Credit unions have been an integral part of community life and contributed to Atlantic Canada communities since their inception over 80 years ago. CUAC is active in all four Atlantic Provinces and has administrative offices in Halifax NS, Riverview NB and Charlottetown PEI. At 2017 year-end, the institution had 305,000 members and managed an estimated \$5.3 billion in financial assets through 49 credit unions, 168 points of service and some 1,400 staff members.

### Conseil de développement coopératif (PEI)

<http://www.rdeeipe.net/cdc/>

The Conseil de développement coopératif de l'IPE represents 17 Francophone or bilingual co-operatives with more than 8,500 members and creating more than 250 jobs. The CDC holds assets totalling more than \$80 million. The clustering of a large number of co-operatives in the Évangéline region has earned that community the title of "World Capital of Co-operation" on a per capita basis.

### A co-operative hotel complex

A citizen-based initiative launched in 2014 with the objective of identifying development opportunities for the town of Shippagan, in NB's Acadian Peninsula, generated numerous ideas at a community forum including a suggestion to improve tourism accommodations in that municipality.

In response, a co-operative named **Complexe hôtelier Shippagan-les-îles Itée** was founded in 2016 and mandated to **"operate, for the benefit of its members and the greater Shippagan and Lamèque and Miscou island community, a multi-service hotel complex in Shippagan in a clean, welcoming environment in accordance with guidelines for sustainable development."** Next steps for this co-operative include conducting a feasibility study and developing a conceptual plan to roll out first to the municipal government and then to the public with a view to gauging interest in the project locally and outside of the community.

### Coopérative de développement régional – Acadie (CDR-Acadie)

<http://www.cdracadie.ca/>

Founded in 2004 with the coming together of co-operative associations across New Brunswick, the Coopérative de développement régional – Acadie supports the creation and promotes the sustainability of co-operative enterprises in multiple economic sectors, including the consumer sector, fishing, farming, renewable energy, funeral services, labour and forestry. Maintaining a strong interest in regional economic development and job retention, it has also for a number of years been publishing guides on business succession through conversion to the co-operative model.

### Co-operative Enterprise Council (NB)

<http://www.cecncb.ca/>

The Council supports the growth and development of member co-operatives, credit unions and other social enterprises in New Brunswick.

### Conseil coopératif acadien de la Nouvelle-Écosse

<http://www.conseilcoopne.ca/en/index.html>

Founded in 1980, the Conseil coopératif acadien de la Nouvelle-Écosse is a group of Acadian and Francophone co-operatives with a mission to promote co-operative development in Francophone communities throughout Nova Scotia. The Conseil is made up of 6 co-operatives that create 139 jobs, represent more than 8,560 members and generate significant economic impact, injecting \$762,572 in donations, sponsorships and rebates back into the communities they serve.

### Nova Scotia Co-operative Council

<http://www.novascotia.coop/>

The Nova Scotia Co-operative Council brings together financial and non-financial co-operatives across the province. It promotes the co-operative system and supports its members through the provision of training and marketing support. The NSCC also represents its membership to government and industry.

### Newfoundland-Labrador Federation of Co-operatives

<http://www.nlfc.coop/>

NL's largest co-operative network, the NLFC advocates on behalf of more than 100 co-operative enterprises located in 35 different communities across the province.



Information: Julien Cormier

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# The Co-operative Movement in Acadia

## Interview with Marc Henrie, Executive Director, Coopérative de développement régional – Acadie

**PROVIS: You are the executive director of the Coopérative de développement régional – Acadie, a non-profit organization with a unique profile. What can you tell us about it?**

**M.H.:** The Coopérative de développement régional – Acadie (CDR-Acadie) is first and foremost an enterprise dedicated to the economic and community development of Acadia in New Brunswick. We specialize in developing collective projects and supporting their proponents. Our organization is a co-operative, meaning that it belongs to its membership made up mainly of Francophone co-operatives as well as other organizations and enterprises interested in collective entrepreneurship.

**PROVIS: CDR-Acadie has evolved over time. Can you tell us about the reasons behind these changes and the phases in its transformation?**

**M.H.:** CDR-Acadie was officially founded in late 2004, the outcome of extensive discussions initiated around the turn of the millennium but in particular an idea put forward by a gentleman named Melvin Doiron who became its founding president. CDR-Acadie had a modest beginning in that the organization had to build a reputation and started out with a limited number of partners, and even more limited human resources, with which to get things done. It wasn't really until CDR-Acadie hired its first full-time executive director in 2006-2007 that it started to make things happen at the community level and consolidate its role as a regional development organization. In its early days, the great majority of activities and projects carried out by CDR-Acadie were in the Acadian Peninsula because that is where its employees were located. From 2008 through 2011, CDR-Acadie had two or three employees. A few projects were implemented outside of the Peninsula between 2006 and 2013, but all of our officers were based in the Peninsula. Beginning in 2013, CDR-Acadie had officers in place to cover other parts of the province. As of 2017, CDR-Acadie had a team of approximately 10 and was active in every Francophone region of New Brunswick (Northwest, Northeast and Southeast). The number of support projects and the spin-off benefits from the presence of CDR-Acadie have consequently grown exponentially as we have expanded our team and our permanent coverage at the regional level.

**PROVIS: Your association has an impressive success record. Can you talk about some of the achievements of CDR-Acadie?**

**M.H.:** There have been many success stories so far. Going around the province, some of the most notable have included the renewable energy co-operative in Lamèque, La Barque in Pointe-Verte, Co-operation Agri-food NB (CANB) in Miramichi, Camping Co-op Daigle Park in Saint-Louis-de-Kent, a number of co-op daycare facilities around the province, Coopérative forestière du Nord-Ouest (COFNO) in Clair in the Madawaska region, the IGA Extra food co-op in Dieppe... and that is just to name a few, because I could go on: CDR-Acadie has established more than 50 co-operatives since 2004.

**PROVIS: What are some projects that CDR-Acadie is working on in 2018?**

**M.H.:** We are working to address a number of important issues in addition to responding to steadily growing demand among proponents for new co-operatives. Business succession through collective entrepreneurship is one major trend that will continue to grow over the months and years to come. Baby-boomer business owners face enormous challenges when it comes to passing their businesses on to the next generation, and co-operatives may be a viable solution for a large number of companies. We are also continuing to work closely with economic and community development partners including CBDCs, community inclusion networks, LearnSphere and many other entities, and we are working to establish a mobile Francophone incubator/accelerator accessible across Acadia to use for promoting entrepreneurship in all its many forms.

**PROVIS: How do you feel about the current state of the co-operative movement in Canada and in Atlantic Canada in particular?**

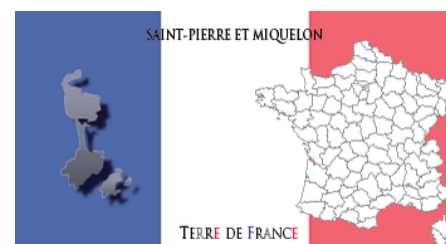
**M.H.:** The co-op movement is very strong, and from a scientific viewpoint, it creates enormous wealth in both Canada and Atlantic Canada, but many people still know very little about it. For example, not many people are aware that co-operative enterprises are two to three times more resilient than any other type of business nationwide. Economic development agencies should consequently be promoting this business model when it comes to spending public funds on development. In a world full of uncertainty where the ownership of wealth is becoming concentrated among a smaller and smaller percentage of people, the co-operative movement clearly offers a human-focused economic alternative for reducing the social and environmental gaps created by capitalism.

**PROVIS: Certain changes and trends have recently been observed in the co-operative sector. Is there a place for innovation in co-operatives?**

**M.H.:** Major co-operative enterprises absolutely support an innovative culture. Co-ops are also known for investing more in research and development than other types of businesses, because they tend to look ahead to the future rather than just trying to make as much money as possible over the short term. In many of the newer, lesser-known co-operatives, millennials are closely aligned to the values of the collective business model, yet many of them simply aren't familiar with this model, which only makes it more important to educate the next generation about the co-operative approach.

**PROVIS: Is there anything you would like to say in general to members of the co-operative movement and people interested in becoming involved in the movement?**

**M.H.:** I would encourage co-operatives to take every opportunity to spread the word about their advantages, their accomplishments and, above all, their strong financial performance. For the most part, the co-op model is very sound, and although many so-called experts have announced its decline due to certain false perceptions, it has been scientifically proven to be stronger and more popular than ever. It is during times of economic crisis that the movement shows its great resilience, and without wishing ill on anyone, economic crisis often makes evident the greatest strengths of co-operatives in terms of maintaining solidarity and making decisions based on people rather than maximizing profits. In today's uncertain world, doesn't it make more sense to go with a sustainable, human-centered business model?



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## Overview in France



Cooperatives worldwide — facts and figures:

- **1 million** cooperatives
- **Nearly a billion** members
- **100 million** employees
- **3 billion** people estimated to be directly involved in cooperatives



### Definition: A **cooperative**

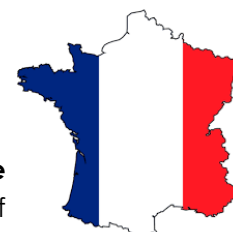
is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a **jointly-owned and democratically-controlled enterprise**.

Cooperatives in France — facts and figures:

- **23,000** cooperatives
- **26.1 million** members
- **1.2 million** employees
- **€307 billion** in cumulative revenue

France is the **world's second-largest cooperative economy** according to the UN's classification of the ten most cooperative countries in April 2014

(Link to the report: <http://www.un.org/esa/socdev/documents/2014/coopsegm/grace.pdf>).



France is a **world leader in cooperatives**, particularly in the following sectors:



**Agriculture:** Agricultural cooperation in France translates into 2,600 agricultural and agri-food cooperatives, primarily VSBs and SMEs, which account for one in three food brands, represent three in four farmers and employ 165,000 people.



**Retail:** 97 groups of partner retailers and their 45,245 points of sale generated revenue of €150.3 bn in 2016, accounting for over 30% of France's retail sector. Two French groups, Leclerc and Système U, are in the International Co-operative Alliance's top five retailers' co-operatives.



**Banking:** In France, cooperative banks are structured into three groups: Crédit Agricole, the BPCE Group (formed by two cooperative banking networks, Populaires and Caisses d'Epargne) and Crédit Mutuel.

For more information: <http://www.entreprises.coop/>



# Benefits of the cooperative model



A cooperative is an **enterprise shared** by partner entrepreneurs who choose to **pool** the management and operation **resources**. By combining their offering and investing together, they are better equipped **to compete in crowded markets**.

Tools developed within the cooperative **improve its members' procurement, production and marketing processes**. Examples of services that a cooperative can offer its members include:

## PROCUREMENT

- **saving time**, as the cooperative negotiates with producers and suppliers on their behalf
- securing **optimal delivery conditions**
- **cheaper raw materials** via a buying group
- **stocks** are outsourced, available and managed by the cooperative

## SERVICE/ PRODUCTION

- joint investment in equipment and **effective working tools**
- access to **modern technologies**
- **combined administrative functions** (telephone switchboards, business relationships, accounting, customer management, etc.), which save time

## MARKETING

- accessing larger markets and therefore **new customers**
- presenting one customer contact and proposing **turkey offers** or services 24 hours a day, 365 days a year
- promoting a **collective identity** and launching major **communication** tools
- the cooperative oversees product **marketing**

### Employee-entrepreneurs (trial a small business without founding a company)

Joining a **business and employment cooperative (BEC)** gives entrepreneurs the opportunity to develop a business independently whilst enjoying employee status. The benefits include:

- Their **salary** reflects the profitability of their business, minus social security contributions and membership fees (approximately 10% of their revenue).
- They receive **social protection** and so have access to healthcare cover, health insurance, unemployment benefits, etc.
- They do not have to create a company. Within the cooperative, a team of permanent members manages the accounting, administrative and legal aspects.
- "It's an **ideal platform**: the entrepreneurs pay nothing if they're not making money, they can leave the BEC when they want and aren't tied to any results," explains Dominique Babilotte, Chairman and CEO of Coopérer pour Entreprendre, which represents 78 BECs across France.

As the business grows, however, employee-entrepreneur status loses its appeal. Entrepreneurs in a BEC have no legal standing: they cannot recruit, seek funding or enter into partnerships. At the end of the contract, which lasts three years, founders can either leave to launch their company or become a partner entrepreneur of the BEC.

Network of business and employment cooperatives: [www.cooperer.coop/](http://www.cooperer.coop/)

Association Copea: [www.copea.fr](http://www.copea.fr)

# Families of cooperatives



Cooperatives can be divided into different families based on **two criteria**:

1. **The type of partners** or members of the cooperative (who hold at least part of the capital)
2. **The activity undertaken** within the cooperative

| Cooperative family:                                     | Partners:                   | Activity   | Site internet de la structure nationale   |
|---|-----------------------------|--|---|
| <b>Business cooperatives</b>                            | Entrepreneurs               | <ul style="list-style-type: none"> <li>• <u>Transport cooperatives</u>, to attract new customers, develop the fleet of vehicles and structure the local offering</li> <li>• <u>Retailers' cooperatives</u>, to organize networks of points of sale</li> <li>• <u>Maritime cooperatives</u>, to maintain and develop sea fishing and provide services meeting members' needs</li> <li>• <u>Agricultural cooperatives</u>, to promote and sell agricultural products</li> <li>• <u>Artisan cooperatives</u>, to boost their performance and competitiveness and develop or diversify direct access to the markets</li> </ul> | <ul style="list-style-type: none"> <li>• <a href="http://www.france-groupements.com">www.france-groupements.com</a></li> <li>• <a href="http://www.commerce-associe.fr">www.commerce-associe.fr</a></li> <li>• <a href="http://www.cooperationmaritime.com">www.cooperationmaritime.com</a></li> <li>• <a href="http://www.coopdefrance.coop">www.coopdefrance.coop</a></li> <li>• Fédération Française des Coopératives et Groupements d'Artisans: <a href="http://www.ffcga.coop">www.ffcga.coop</a></li> </ul> |
| <b>Cooperative banks</b>                                | Customers and members       | They organize investment and financing to support the real economy.  | <ul style="list-style-type: none"> <li>• Crédit Agricole : <a href="http://www.creditagricole.info">www.creditagricole.info</a></li> <li>• Crédit Mutuel : <a href="http://www.credit-mutuel.com">www.credit-mutuel.com</a></li> <li>• BPCE : <a href="http://www.bpce.fr">www.bpce.fr</a></li> </ul>   |
| <b>Cooperatives of users</b>                            | Users of goods and services | <ul style="list-style-type: none"> <li>• Consumers' cooperatives, to sell the consumer goods that they buy or manufacture to members</li> <li>• Educational cooperatives, to promote the non-profit and cooperative sector in schools</li> <li>• Housing cooperatives, to facilitate homeownership for people with low incomes</li> <li>• Residential cooperatives, to access housing with shared spaces</li> </ul>  | <ul style="list-style-type: none"> <li>• Fédération nationale des Coopératives de Consommateurs (FnCC): <a href="http://www.fncc.coop">www.fncc.coop</a></li> <li>• Office Central de la Coopération à l'Ecole: <a href="http://www.occe.coop">www.occe.coop</a></li> <li>• <a href="http://www.hlm.coop">www.hlm.coop</a></li> <li>• Fédération française des coopératives d'habitants: <a href="http://www.habicoop.fr">www.habicoop.fr</a></li> </ul>  |
| <b>SCOP</b> (cooperative and participatory companies)   | Employees                   | In a SCOP, the employees are the majority partners and hold at least 51% of the capital and 65% of the voting rights   | Confédération Générale des Sociétés Coopératives et Participatives (CG SCoP) <a href="http://www.les-scop.coop">www.les-scop.coop</a>   |
| <b>SCIC</b> (collective interest cooperative companies) | All stakeholders            | SCIC are developing in numerous sectors and organized around a collective public benefit project   | <a href="http://www.les-scic.coop">www.les-scic.coop</a>  |

Source: *Panorama sectoriel des entreprises coopératives*, 2016, Coop FR



# Non-profit or Company



Many economic activities are initiated within the framework of **the 1 July 1901 Non-Profit Organizations Act**. Therefore, **a significant proportion of economic activities** that would be undertaken in the cooperative sector in other countries **are undertaken in the non-profit sector in France**.

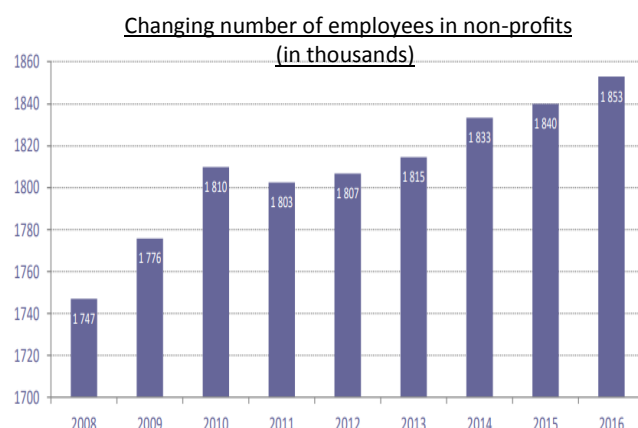
What are the advantages of opting for a non-profit structure rather than a company?

- Non-profits **can buy and sell goods and services in the usual way**, provided that they emphasize their **"public benefit" purpose** in their articles of association.
- To achieve their aims, non-profits can, like companies, **hire employees**, provided that they have obtained a Siren registration number. That does not undermine their public benefit purpose. Labour law (working hours, minimum wage, etc.) applies equally to the employees of non-profits.
- The **formalities** for incorporating non-profits are **simple**.
- In the majority of cases and unlike companies, non-profits **do not pay corporation tax** (tax on profits, VAT, business rates, etc.). However, **a non-profit is liable for tax** if its for-profit activities dominate (over €61,145 in annual revenue) or if its directors' compensation exceeds a certain ceiling (in general, it must remain within 75% of the minimum wage).
- Although a non-profit cannot share profits between its members, they can take advantage of savings resulting from its activities. In the event of liquidation, remaining assets must be transferred to a non-profit with a similar aim at no cost.
- **It is possible to convert a non-profit into a cooperative** with a similar activity when the future company aims to "produce and supply goods and services that present a public benefit."
- **Donors** to non-profits **can claim tax relief** (if the non-profit has obtained prior government authorization).

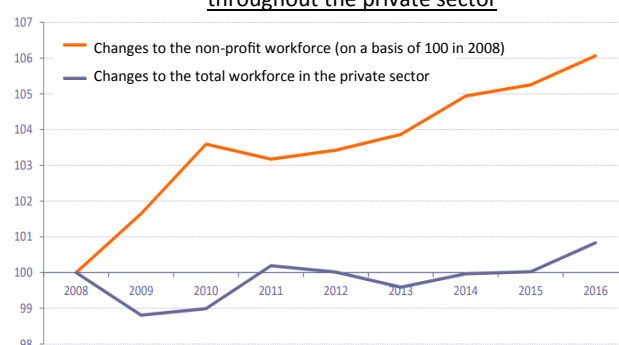
A **non-profit** can **avoid for-profit status** if the goods or services that it sells aim to:

- meet a need overlooked by the market;
- assist people in difficult economic and social circumstances (recognition of the public benefit of the non-profit's activity);
- propose lower prices for certain beneficiaries (e.g. the unemployed, elderly, etc.).

## Staff in non-profits



## Comparative changes to the workforce in non-profits and throughout the private sector



Sources : ACOSS-URSSAF et MSA. Traitement R&S.

In 2016, private non-profit employment within non-profits and foundations represented nearly 170,000 employers, 1,938,000 employees, i.e. 10.3% of all private sector employees, and a wage bill of €41.5 bn.

In the areas of social action and medicosocial housing, non-profits dominate throughout the private sector. Almost all social housing for the disabled is managed by non-profits in France.

For more information :

[http://www.associations.gouv.fr/IMG/pdf/france\\_associative\\_en\\_mouvement\\_2017.pdf](http://www.associations.gouv.fr/IMG/pdf/france_associative_en_mouvement_2017.pdf)

# INTELL-ECHO



Are you seeking business opportunities in this sector?  
CACIMA and FCCC-AN can facilitate your business prospection process and help with establishing new partnerships  
(targeted information and network contacts)

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