



CO-OPERATIVE INSURERS

SHARING THE RISKS

Co-operatives were founded on the principle that everyone benefits when people pool their talents and resources, and equitably share the benefits of their efforts. Yet all-too-often, personal misfortune or natural disaster can quickly reverse the gains brought by years of hard work and co-operative activity. In true co-operative fashion, many turned their attention to finding ways to share risks as well as benefits. The result, developed over more than 50 years, is a network of co-operative insurance organizations that protect people from the financial hardships resulting from unexpected misfortune.



Today, insurance co-operatives in Canada are administering assets of more than \$16 billion and serving about 10 million policy holders. With assets exceeding \$7 billion, the largest Canadian-owned multi-product insurer is The Co-operators Group Limited. Owned by 37 co-operatives, credit unions, and similarly structured organizations, it protects 1.1 million Canadian vehicles, 855,000 homes, and the

lives of 590,000 Canadians. It also insures 292,000 employees through group benefit plans, 44,000 farms, and 129,000 businesses. The Co-operators distributes its products and services through over 632 outlets, 1,077 independent brokers, four contact centres, and one call centre for its travel insurance business.

Back in the 1930s, the celebrated case of a hydro lineman who died owing money to his credit union convinced credit union leaders in Canada and the United States of the need to protect the survivors of credit union debtors. Building on the slogan “the debt shall die with the debtor,” credit union leaders have created an insurance network to do just that.

In Canada, The CUMIS Group Limited is the result of that effort. Today, it markets a diverse portfolio of insurance products and other services to Canadian credit unions, caisses populaires, other financial co-operatives, and their members. Insurance programs range from life and health insurance to accident, sickness, property, and casualty insurance, as well as special services such as business development training programs, insurance technology support, and financial planning.

In 2006, The CUMIS Group had \$665 million in assets and close to two million policy holders. Credit Union Insurance Services, a partnership between The CUMIS Group and The Co-operators Group, offers insurance, business development, and insurance technology services through credit unions.

A smaller organization, which nevertheless represents the spirit of co-operatives in Canada, is the Co-operative Hail Insurance Company. Prairie farmers formed this co-operative in 1947 to protect themselves from the financial devastation that results from losing a crop to hail. Today it serves more than 16,000 farmers and has assets of \$37.5 million.



DO YOU WANT TO KNOW MORE ABOUT CO-OPS?

For more information, please contact the

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