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Strengthening Equity and Access to Development Supports in Canada's Co-operative Entrepreneurship Ecosystem

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Veillez prendre note que ce rapport est aussi disponible en français.

About Co-operatives and Mutuals Canada

Co-operatives and Mutuals Canada (CMC) is the national, bilingual association representing co-operatives and mutuals of all types, sizes, and sectors across the country. Member-driven and mission-led, CMC brings together large co-operative enterprises, provincial associations, sector federations, and front-line co-ops to advance a unified vision: a strong, inclusive, and sustainable co-operative economy. We work to strengthen the sector by:

- Working with the federal government to create a more enabling environment for co-operatives and mutuals;
- Promoting and protecting the co-operative identity;
- Fostering connection and collaboration through engagement and awareness activities.



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Executive Summary

The co-operative model holds promise and power for equity-deserving communities. Its principles of democratic ownership, shared governance, and collective economic benefit align with community-building traditions that many racialized, Indigenous, immigrant, and low-income communities have long practiced, from rotating savings circles and lending traditions to informal mutual aid networks rooted in cultures and geographies far older than the corporate and colonial frameworks that currently dominate Canadian law and policy. And yet, despite this alignment, equity-deserving entrepreneurs remain underrepresented in the formal co-operative sector.

This report asks why, and what can be done about it.

The findings presented here draw on interviews with 17 co-operators and co-op service providers across Canada, representing a range of sectors, regions, and community contexts. Participants were recruited to reflect the diversity of the Canadian co-operative ecosystem, with particular attention to the voices of those who occupy the intersection of co-operative entrepreneurship and equity-deserving identity that have chosen the co-op model as a vehicle for economic self-determination.

What emerged from these conversations is not a single barrier but a layered and mutually reinforcing set of them. Equity-deserving co-operators contend with a business development ecosystem that holds unconscious biases against equity-deserving groups (New Power Labs et al., 2025). It is one that defaults to hierarchical corporate structures, assumes access to capital and time, and consistently underestimates the labour involved in building a democratically governed enterprise from within a community still navigating the compounding effects of systemic exclusion. The co-operative sector itself, despite its values of solidarity, equity and equality, is not immune to these dynamics. Gaps between stated commitments to inclusion and the lived experiences of equity-deserving entrepreneurs are a recurring theme throughout the research.

At the same time, the interviews surfaced genuine sources of resilience, innovation and possibility. Participants spoke of the transformative potential of co-ops when development support is culturally grounded, relationally sustained and designed with rather than for the communities being served. They described the power of dedicated peer spaces, developers who share their lived experience and programming that treats them as whole people rather than recipients of targeted intervention. They also spoke, frankly and practically, about money: the chronic underfunding of co-op development, the inaccessibility of mainstream financial institutions, and the urgent need for financing instruments designed for the realities of equity-deserving entrepreneurs rather than adapted from models that perpetuate power imbalances in the flow of capital (New Power Labs et al., 2025).

The report is organized around the major themes that emerged from the interviews, moving from the foundational questions of co-operative identity and cultural resonance through to capital access, regulatory environment and technical development support. Each section surfaces the barriers respondents identified, the supports they found

meaningful, and the gaps that remain. The report concludes with a set of recommendations directed at the funders, policymakers, practitioners, researchers, and service providers who together shape the conditions under which equity-deserving co-operative entrepreneurs can, or cannot, thrive.

The through line across all of it is trust. Trust that must be earned through representation, co-design and sustained relationship. Trust that is currently, for too many equity-deserving entrepreneurs, in short supply.

1.0 Literature Review

Co-operatives are often born out of crisis. It is one of the model's most notable characteristics. The Rochdale Pioneers, the "founders of the Co-operative Movement," are captivating because theirs is a story of cotton mill workers in mid-1800s England overcoming miserable working conditions and low wages through collective action. By pooling their scarce resources, they created a business model that allowed them to access basic goods at accessible prices, while extending profit-sharing and democratic decision-making to workers and customers (International Co-operative Alliance, n.d.).

A review of the literature on co-operative history and contemporary practice by equity-deserving communities in Canada uncovers a critical question: "whose crisis?" Law scholar Kimberlé Crenshaw's concept of intersectionality shows that all inequality is not created equal, because someone can be subjected to overlapping systems of oppression based on the multiple identities – gender, sexuality, disability, immigration status, etc. – they hold (Steinmetz, 2020). This intersectionality analysis has not happened within the co-operative movement (Redekop, 2022), and so the question of 'whose crisis' is critically unexamined.

In the Canadian context, there has been an erasure of the contributions of equity-deserving co-operators and a devaluing of the forms of co-operativism they have engaged in to resist their unique experiences of oppression (Hossein, 2020; Lee et al., 2016; Redekop, 2022; Sengupta, 2015).

Sengupta (2015) exposes how the co-operative sector's complicity in settler-colonialism is often left out of the literature. European settler-led co-operatives on traditional Indigenous lands "were a tool of colonization, assimilation of Indigenous labour, and consolidation of European settler control over land and resources" (Sengupta, 2015, p. 122). Contemporary Indigenous communities would transform the model, incorporating cultural forms of knowledge and practice, into an agent of decolonization, self-determination and revitalization of communal Indigenous ways of being (Sengupta, 2015).

Hossein (2020) shows how co-operative systems were developed and practiced by Black communities in Canada as far back as the True Bands of the 1800s, which were mutual aid societies supporting escaped slaves via the Underground Railroad, to the contemporary practice of rotating savings and credit associations (ROSCAs) among diasporic women – both responses to hostile racist environments.

Lee et al. (2016) describes the hybrid co-operative models developed by Japanese-Canadian fisherman in British Columbia in the early 20th century. Bridging traditional village co-operation from their rural Japanese homelands to the formalized Canadian system, they established fishing co-operatives along the West Coast that advocated for equitable laws and business practices in the face of government-sponsored Anti-Asian discrimination.

Common to these authors is the critique of the narrow ethnocentric perspective found in Canadian co-operative literature, which fails to recognize these forms of co-operation because they do not fully adhere to the Rochdale-derived model (Hosseini, 2020; Lee et al., 2016; Sengupta, 2015). The consequences are far-reaching and instructive when looking at the co-operative sector's failure to increase its appeal to or support of equity-deserving communities.

The literature shows it is not equity-deserving communities' lack of knowledge or awareness of co-operation (as distinct from the incorporated co-operative model). Or, that they are unprepared or necessarily under resourced to practice it (co-ops by definition are useful for those with scarce resources). Rather, co-operative sector leadership has a responsibility to bear in addressing the ongoing barriers preventing full participation of equity-deserving groups.

While progress has been made with gender diversity in co-op leadership, the numbers still do not reach the gender parity found in Canadian demographics (Pigeon et al., 2025). In contrast to the representation of women, the numbers are much lower for other equity-deserving groups. In a survey of 136 co-ops and credit unions conducted by Pigeon et al., 73 percent of respondents did not have directors who are part of a visible-minority group, and 15 percent reported only one director belonging to this group. Seventy-seven percent of respondents reported that none of their directors were Indigenous, and 85 percent said that they do not have any persons with disabilities on their boards. Similarly, 84 percent reported that they do not have anyone on their board who identifies as lesbian, gay, bisexual, transgender, queer, nonbinary or two-spirited.

The co-operative ecosystem would benefit from recognizing the systemic oppressions that impact its own approaches to effectively recruiting equity-deserving members rather than concluding that these gaps are due to a lack of interest, or pipeline problem, among these groups.

The body of co-operative literature further demonstrates this neglect by way of its gaps. The literature on co-operatives among ethnic and cultural groups is already sparse, even thinner is research on co-operativism by persons with disabilities, 2SLGBTQIA+ members, newcomers, refugees and asylum seekers and class-based analyses that include people experiencing barriers to economic opportunity and participation.

Recent research (Investment Readiness Program et al., n.d.) advises a shift from the historical deficit-based analysis found in co-operative literature to more of an asset-based analysis that recognizes the history, benefits, skills and both cultural and technical knowledge that equity-deserving co-operators bring to the co-operative sector and to Canada as a whole. This can be a useful framing for readers of this report, particularly co-operative service providers, when examining their own positionality and potential assumptions about what it means to "help" equity-deserving co-operators.

The benefits of co-ops for equity-deserving communities are profound. Equity-deserving groups co-operate to preserve culture, provide community support, meet social and economic needs – such as affordable housing and health care services – not met in the capitalist economy, reduce isolation and navigate language barriers and financial inequity (Hosseini, 2020; Lee et al., 2016; Redekop, 2022; Sengupta, 2015). The barriers are also profound. Equity-deserving groups are achieving this in the face of racial violence and discrimination, socioeconomic exclusion, various forms of marginalization and the disproportionate impacts of the climate crisis and political oppression. Many of the exhaustive solutions found in the research remain unfunded, underfunded or unmet by the sector. A snapshot of these recommendations include: culturally-responsive resources and support; outreach to and awareness raising of co-ops led by equity-deserving groups; spaces for collaboration between equity-deserving co-operators; funds and grants specifically targeted to equity-deserving groups; recognition of culturally-based forms of co-operation, including informal (i.e. non-incorporated) co-ops and other collective activities in the social and solidarity economy.

Sector-wide, co-operative leaders have identified that co-ops need to urgently position themselves as a solution to modern crises, pivoting from being seen solely as member-serving organizations to being recognized as key engines for broad socioeconomic resilience and a viable, democratic alternative to concentrated corporate and political power (Yu et al., 2025, 2026). There are considerable opportunities to ask: how can meeting the solutions already proposed by equity-deserving co-operators, and further explored in this report, work to benefit everyone?

2.0 Methodology

2.1 Main Research Question

This research asks: What barriers, opportunities, gaps, and coordination challenges exist within Canada's co-operative entrepreneurship ecosystem, and how can development supports better serve equity-deserving co-op service providers and entrepreneurs?

2.2 Research Ethics and Positionality

The research is grounded in an intersectional framework that recognizes race, class, gender, ability, immigration status, and language (among other identities) as overlapping systems of power that shape both who accesses support and how it is designed and delivered. Rather than treating equity as an add-on, intersectionality guides every stage of the research, from how questions were designed to how findings are reported.

Interviewees were compensated for their time, reflecting the co-operative principle of equitable economic participation. Consent was obtained before, during and after interviews. A 24-hour window to request edits or redactions was granted. Interviewees were given credit in the manner they consented to. Findings will be shared with all participants upon publication.

2.3 Research Approach

This is qualitative, exploratory research. Exploratory research is used to investigate problems that are underexamined or poorly understood. It does not aim to produce conclusive results, but rather insights that can inform future, more specific research. The approach here is practitioner-centered, meaning the knowledge base is drawn explicitly from the lived and professional experience of people working inside the co-operative ecosystem, and not from detached observation.

2.4 Participant Selection

Participants were selected because of their lived experience, knowledge and practice of co-operativism. The research team sought a range of perspectives across co-op member-owners (designated in the report as “Co-operator #” with a number attached to differentiate respondents) and co-op service providers (designated as “Co-op Service Provider #” with a letter attached to differentiate respondents). Thirty-four potential participants were contacted. This outreach yielded 19 responses from which 17 participants completed both a survey and an interview.

The team worked to ensure representation across Canadian provinces, racialized experiences, gender identities, sexual orientations, income levels, citizenship statuses, languages, disabilities, religions, caregiving responsibilities, co-operative types and years of experience in the sector. Four interviews were conducted in French.

2.5 Research Instruments and Data Collection

Interviews were conducted via Zoom. A survey was administered via Google Forms prior to each interview. Both instruments were designed to examine the barriers, gaps, drop-off points, leverage points and pathways to success for equity-deserving co-op entrepreneurs.

2.6 Data Analysis

Interview and survey responses were organized according to four enabler categories drawn from a modified version of the Quebec Social Economy Ecosystem Framework. These enablers, ranging from social movements to capital investment to technical support, form the conceptual structure of this report's findings.

2.7 Limitations

The authors of this report are practitioners with lived experience in the co-operative sector, not trained academic researchers. This shapes both the strengths and the boundaries of this work.

Sample limitations include a total of 17 interviewees with geographic concentration in British Columbia (4), Quebec (5) and Ontario (5). Newfoundland (2), Manitoba (1), Alberta (0), Saskatchewan (0), the Maritime provinces (0), and all three territories were not represented.

Methodological limitations include the fact that research questions were researcher-generated, which may have shaped or constrained what participants chose to raise.

Coverage limitations are significant. The enabler framework was introduced after the interview questions were developed and the interview process had already begun. Further, the timeline did not allow for a second round of data collection to address the gaps. Readers should treat the findings in those sections as preliminary observations rather than developed analysis, and future research should prioritize them explicitly.

3.0 Conceptual Framework

The report utilizes a framework based on enablers of co-operative development, adapted from the Quebec Social Economy Ecosystem Framework developed by the *Chantier de l'économie sociale*. Enablers are the categories of actors, resources, and conditions that facilitate and support co-operative development. They are not isolated, they overlap, interact and depend on one another. While the full framework comprises six enablers, this report focuses on the four that emerged most substantively from respondents' accounts, while adding a fifth 'Social Movements,' reflecting the conditions and gaps they identified as most consequential to their co-operative development experience.

The four enablers are:

1. Regulatory Frameworks
2. Capital, Financing and Funding
3. Co-operative Development and Technical Support
4. Transfer of Knowledge, Skills and Competencies

The framework reflects the systemic nature of co-operative development. Equity-deserving entrepreneurs don't just face one gap; barriers compound across enablers simultaneously. For example, an equity-deserving entrepreneur may have sources of capital available to them, but no targeted technical support to help them find, access and manage it. Such support can be key to helping equity-deserving groups overcome the unique barriers they face, such as mistrust of institutional finance or a cultural relationship with money that is unrecognized by the mainstream financial system, all of which directly affect their ability to grow and sustain their co-op.

The framework in Appendix 1 provides a visual that illustrates the current state and recommendations for each enabler, as per the results of the participant interviews.

4.0 Analysis and Results

According to the Co-operatives and Mutuals Canada database, there are 6,719 co-ops and mutuals across Canada. Of these, 702 are equity deserving-led or serving co-ops (see Figure 1). In this section, the opportunities, barriers,

gaps and leverage points key to these co-operators will be explored across four enablers: social movements; capital, financing and funding; co-op development and technical support and regulatory frameworks.

Canadian Co-operatives and Mutuals Database		
Total Canadian Co-operatives and Mutuals		6719
Total Equity Deserving Co-operatives and Mutuals		702
Communities	Indigenous	143
	LGBTQ2S+	16
	Newcomer	102
	Persons with Disabilities	35
	Seniors	141
	Women	51
	Youth	112
Ethnocultural	Asian	17
	Black	27
	European	21
	Latin American	21
	Middle Eastern	0
	Multicultural	9
	Oceania	0
	South Asian	7

Source: Canadian Co-operatives and Mutuals Database

4.1 Social Movements

Social movements can be defined as sustained collective efforts by communities to challenge structural inequities across economic, political, and social systems, historically including labour, agrarian, Indigenous sovereignty, francophone, feminist, and racial justice struggles in Canada.

Co-operation and democratic governance have existed in equity-deserving communities

Co-operativism in Turtle Island, often attributed to the Rochdale Pioneers, has existed long before settler contact, just not by the names the sector typically associates it with. The principle of working together, being in community, mutual aid, and resource pooling are not only present in equity-deserving groups but are acts of resistance essential to survival. Even if these examples are not explicitly labelled as co-operativism, this is “what equity-denied groups have been doing for centuries, maybe without even knowing it,” observes Co-operative Service Provider E. For example, ROSCAs, which are no-interest, peer-to-peer lending systems practiced by predominantly women of

colour across the Global South and among diasporic communities in Canada, are intergenerational co-operative financial systems.

As such, co-operatives can be viewed as a tool. One that can be, and has historically been, used by equity-deserving groups to improve conditions of survival and even decolonization. Sometimes, the benefits are “beyond what’s quantifiable,” because solidarity and informal co-operative economies support many aspects of social well-being in equity-deserving communities (Redekop, 2022, p. 31). Co-operativism has been a transformative tool, and it is why equity-deserving communities have turned to it.

It must be acknowledged, however, that co-operatives in Canada have excluded Indigenous Peoples and have been used as agents of colonialism (Sengupta, 2015). These histories continue to shape current dynamics, and if narratives of collectivism and co-operativism continue to conceal unpleasant or incriminating facts about its role in the exclusion of equity-deserving groups, it perpetuates colonial narratives while erasing resistance.

This history of exclusion has prevented equity-deserving groups from comfortably accessing resources and perpetuates settler colonialism, an ongoing system oppressing Indigenous communities, and harms a key group the sector is trying to support. To develop the co-operative sector and uplift equity-deserving communities, the colonial co-operative history in Canada must be reckoned with, alongside uplifting non-Eurocentric and traditional co-operativism such as ROSCAs and Indigenous entrepreneurship.

Community-driven support builds movements

What distinguishes co-operatives as a liberatory as opposed to a discriminatory tool? The differences lie in who is leading the charge and for what purpose, (Sengupta, 2015, p.134). Equity-deserving groups must be at the front and centre making decisions, rather than top-down, hierarchical structures imposing what they think is best.

When co-operatives are anti-oppressive and locally rooted, they are agents of economic transformation and cultural preservation. Equity-deserving groups have used the co-operative model to pool resources (Gordon Nembhard, 2014), especially as these groups have been traditionally disadvantaged by the neoliberal capitalist system.

The case for economic and social transformation and not just inclusion

Co-operatives without strong labor and class analyses limit their potential for economic empowerment, especially as the capitalist system continues to disenfranchise equity-deserving communities. “Because otherwise, it ends up being another small business support discourse, another kind of marginalized achievement discourse,” notes Co-operator 3. “And that’s a very limited discourse from the perspective of the potential of all of this, which is transformation of the economic system away from a class-based, hierarchical way of working.”

One of the businesses interviewed in this report, a commercial and residential cleaning co-operative in Vancouver, British Columbia, can be taken as a positive example. The co-op takes underpaid and overexploited women working in the commercial and residential cleaning industry and offers them ownership and agency over the profession that once mistreated them. The workers at this co-op are in the top paid percentile of their occupation, and this has dramatically changed their quality of life, notes Co-operator 3, who provided development services to the co-op.

In her research on Black co-operative economics in the United States, Gordon Nembhard (2014) shows how prominent intellectuals and organizers in the Civil Rights Movement, such as W.E.B. Du Bois, Ella Jo Baker, A. Philip Randolph and Fannie Lou Hamer, advocated for co-operativism as a movement-building tool that could achieve Black economic sovereignty.

The discourse around co-ops as an economic tool contributing to a larger movement for social change is reflected in some of the visions and missions of the equity-deserving co-ops interviewed. A Black women-led co-operative network in Ontario, who participated in this report, positions their co-operativism as a means through which Black women, operating in solidarity across the Global North and South, can enhance their socio-economic freedom, dignity and well-being while dismantling systemic inequalities and barriers.

Another participant, a Winnipeg-based small bakery, is a worker co-operative that operates under a queer, anti-racist, decolonial mandate and regularly partners with community groups and organizations to advance that work. The goals of a co-operative movement must include economic and social transformation, especially for equity-deserving groups. Co-operative ecosystem support for these groups can also exist in acts of solidarity, which is standing with, supporting and defending those resisting systemic oppression. Without this lens, co-ops are just another business solution, rather than tools for transformative change and social justice.

4.2 Capital, Investments, Financing and Funding

A continuum of financial support is required throughout the development process and growth phases of co-operatives. This includes member share capital, credit union financing, and government programs. Access to this continuum is not equal and, for equity-deserving entrepreneurs, the gaps are structural and not incidental.

Barriers and Drop-Off Points

Mainstream financial institutions present a structural barrier before an application is even submitted. The strength of collective ownership, where members decide together how to move forward, including financial decisions that involve collateral, becomes a liability in a financial system designed for individuals or corporations. For equity-deserving co-ops navigating a system that has historically excluded them and continues to present barriers to access, respondents describe the bar as so high that getting a meeting with a bank, even one that ends in rejection, feels like an achievement.

The co-op financial ecosystem's own risk management strategies compound the problem: "In the co-op world, it's often, 'We've got to make sure everything is totally de-risked,' and that ironically creates more risk because there's more time that passes by with no development, which kills the momentum," says Co-operator 4.

Co-operator 5 describes the experience of applying for a credit card through their local credit union under the assumption that its terms would be more flexible to co-ops only to discover the opposite: "We've tried multiple times. Our bank won't even give us a credit card... if they were to give us a credit card they could maybe do a \$500 [credit limit]. It's like cool, that actually doesn't help us that much at all."

The financial system is broken for equity-deserving groups (New Power Labs et al., 2025), who often lack access to the resources needed to succeed because institutional finance deems them "high-risk," an unconscious bias rooted in colonized financial models and perspectives (New Power Labs et al., 2025). Equity-deserving co-operators face dual barriers if the co-operative finance ecosystem seeks both "low-risk" or "de-risked" investments, while susceptible to the unconscious bias that equity-deserving groups are "high-risk" entrepreneurs.

The recent federal program, the Social Finance Fund, a \$755 million initiative to accelerate the growth of Canada's social finance market, sought to financialize enterprises in the social purpose sector, including those of non-profits, charities and co-operatives, bringing them into the private equity pipeline. Some respondents spoke of the conceptual and operational leap required to move from grant-based to investment-based financing as a barrier. Co-op Service Provider G recounts:

"It's a shift from [grants]—money in exchange for reporting—toward something closer and riskier: money in exchange for money, plus additional returns. For the co-operatives I've worked with or advised in making that shift—from credit cards, grants, and then equity—toward an investment relationship, there had to be a compelling reason to make that move, or investment had to be the only viable solution."

She spoke of co-op entrepreneurs withdrawing because they didn't have the certainty they could fulfill all the requirements, detailing the differing accountability requirements of the multiple investors who would be investing in larger-scale projects in sectors like real-estate or tech. Speaking specifically to equity-deserving entrepreneurs, the issue was compounded when they weren't certain they would have the confidence of the investors on the other side of the table.

"They opted out. They would find other ways to finance themselves or wait for growth to happen organically, rather than bringing in capital that would give them a boost and accelerate growth."

Elsewhere, she notes that referral from a recognized co-op developer is often the informal gateway to investment in her region and equity-deserving entrepreneurs are often poorly-received from this closed-door network. Being

excluded from these critical networks creates a compounding disadvantage that leads equity-deserving groups to further self-exclude from the region's social economy.

When funders do engage, they often measure viability using conventional business metrics that don't account for co-operative values. Co-operator 9 describes a funder who questioned her co-op's viability because work and pay were distributed according to the worker-owners' personal capacity and collective goals and not around traditional business growth trajectory. What funders read as financial failure was an intentional collective choice to be sustainable. Eight years later, her co-op is still operating.

Grant amounts frequently don't match what co-ops are trying to build. Co-operator 4 operates a tech co-op and, while he has accessed the few targeted funds available to him as an equity-deserving entrepreneur, he cautions that they can sometimes be relegated to smaller amounts. "It can be somewhat detrimental too. Because what people often want to do is funnel you towards these smaller, less significant programs. And it's like, yeah, the 20K is nice, but our needs are much greater," he says.

Several respondents also noted that the application processes are needlessly onerous for these small amounts. The prolonged startup phase hits equity-deserving entrepreneurs hardest. Many carry financial caregiving responsibilities to both nuclear and extended families, have little to no financial cushion, and cannot afford to wait months or even years for income that hasn't arrived yet. When funding opportunities do appear, the urgency of those timelines can push groups to incorporate before they're ready, skipping foundational steps just to qualify.

Co-op Service Provider B expands on the financial challenges faced by equity-deserving entrepreneurs starting off:

"Having that startup money is a barrier. Some of them will not start off due to money. Some of them get frustrated if the money doesn't come around... and [leave] to look for work. Because the purpose of it is for them to have a business to earn income. [But] then they have to abandon that to go look for work and we don't want them to do that."

Funder unfamiliarity with the co-op model deepens exclusion further. Co-op Service Provider F observes:

"Funders are not familiar with the co-operative model; it's not just individuals that are navigating this model, but funders. The government doesn't seem to be completely familiar with this model either. [A funder] said, 'We don't have expertise and knowledge of co-operative organizations. We have funded co-operatives in the past, but we don't really know about co-operatives.' It was really shocking, because this funder had a partnership with our provincial association, [but] their knowledge of co-operatives is so minimal."

In the same vein, when funders aren't familiar with equity-deserving communities' relationship to debt, equity or their historic exclusion from mainstream finance, such as the condition of being underbanked, efforts to support will not land, regardless of how well-intentioned it is. Fear of debt is real and takes many forms: unfamiliarity and lack of trust with financial institutions, uncertainty about business returns, or a cultural relationship with money that the mainstream financial system doesn't recognize. As Co-operator 1 notes: culturally specific support requires understanding not just the financial tools being offered but the community's relationship to those tools.

Supports and Leverage Points

Where financing has worked, a few patterns emerge. Free and subsidized development services lower the barrier to entry at the most vulnerable, startup stage. Targeted and specialized funds increase participation meaningfully, in part, because they signal that the opportunity was designed with specific communities in mind, rather than theoretically open to all. As Co-op Service Provider E explains:

"If there is a fund specifically for racialized groups that want to develop a co-operative, folks are much more inclined to pursue that funding...Because the pool is smaller, they feel like their chances of being chosen are higher, which makes sense, versus when it's just an open pool."

Of note here is the previous observation from Co-operator 4 that targeted and specialized funds must also provide adequate funding to the communities they serve.

Faced with exclusion from institutional finance, several respondents turned to or sought to turn to community-generated startup capital strategies, many that were culturally based. Co-op Service Provider B advised the co-operators – immigrant, newcomer and refugee women of colour – participating in the organization's worker co-op incubator to form ROSCA groups. Other respondents sought to explore other forms of cultural and/or religious, no-interest loans, such as halal financing, or to bring cultural awareness to community finance tools like community bonds.

Gaps and Coordination Challenges

Financial literacy is a persistent and underserved gap not just among co-op member-owners, but among the professionals meant to support them. Even when co-operators have a working level of financial knowledge, it is difficult to find expertise on how to specifically handle co-operative finances. Co-operator 2 explains:

"We are still looking into insurance. We are good with our bookkeeping and filing certain things financially. But overall [with the] CRA [Canada Revenue Agency], we've been struggling for the last two years. [We're] reaching out to co-ops like:

'Who do you use?' It's only this last year when we were actually connected to co-ops that are similar to us.'

Entrepreneurs' personal relationship with money is a prerequisite for co-op viability that the sector could do better addressing. Significant coaching on money mindset – which addresses deep-seated beliefs, attitudes, and emotional responses toward money – can be found in business incubators serving equity-deserving entrepreneurs before any business planning can begin. But it is work that is invisible in many co-op development frameworks. There is also a coordination gap between equity-specific funding streams and the co-op developers who could connect entrepreneurs to them. Targeted funds exist but don't always reach the communities they're designed for.

Pathways to Success

The data in Capital, Financing and Funding points to three emerging pathways. First, values-aligned capital. Co-operator 1 describes seeking out banks, fintech companies, and co-operative entities based on values alignment rather than structure alone: "It has to be who aligns in values with us. Because you can find a corporation that actually lives the values more than one that just has the label of a co-operative."

Second, financial coaching as a structured prerequisite, and not an add-on, for co-op development support. Helping entrepreneurs understand their own relationship with money, read financial statements, and navigate co-op-specific financial structures is an investment the sector can improve on.

Third, investment models that keep capital circulating within the co-op sector rather than extracting it outward. Community bonds, peer-to-peer lending rooted in cultural traditions, and member share capital are all mechanisms that build co-op wealth from within and deserve dedicated infrastructure and support to grow.

4.3 Regulatory Frameworks

Unique federal and provincial legislation applies to co-operatives and credit unions and governs the incorporation, organization and operation of these member-owned businesses.

Barriers and Drop-Off Points

The co-operative business structure is marginalized within the broader Canadian business landscape, and equity deserving co-operators are further on the periphery. Professionals tasked with supporting co-ops, including accountants, lawyers, and financial advisors, frequently don't understand the model, compounding the barriers equity-deserving co-operators already face. Co-operator 2 describes a scenario where accountants regularly ask whether their non-profit workers' co-op can simply be treated as a non-profit, collapsing a fundamentally different decision-making structure into a more familiar category because it's easier.

Co-op Service Provider F names the systemic dimension, where educating equity-deserving entrepreneurs is not enough if the system itself hasn't built the capacity to include them:

"There are a lot of rigidities in terms of regulations and support available to co-operatives or social enterprise organizations. This is a systemic barrier that needs to be addressed. Even if we focus too much on educating members of equity-deserving groups, or providing them with resources, if there is not enough capacity in the system to build...and co-create a more inclusive space, and engage members of equity-deserving groups, then we will still keep seeing all of these barriers. In every initiative that we are doing in the co-operative sector, we need to have a systemic change and perspective change as well."

Supports and Leverage Points

The most meaningful regulatory lever identified by respondents is advocacy, and specifically, ensuring equity-deserving voices are present when co-operative organizations engage government. Larger co-ops and credit unions have access to government officials. Equity-deserving co-operators largely do not. As Co-op Service Provider E identifies:

"Larger co-operative organizations, larger credit unions, larger co-operative food businesses, etc., they interact a lot with government and MPs and officials, and so I think it's important to have that equity-denied group perspective included in lobbying to steer the direction of co-operative businesses. I think there's still a lot of work to be done in terms of representation, especially on higher levels of co-operative businesses."

The barriers to that representation are not incidental. Co-op Service Provider F describes the compounding effects of newcomer status, time scarcity, and institutional distrust that keep equity-deserving co-operators out of leadership and advocacy spaces:

"They don't have the time, they don't have the capacity, they don't have the confidence. When you are a newcomer, you are not familiar with the system, and you are always worried about doing something wrong, or something that can be used against you in the future. There is limited representation of women and marginalized groups in the board and leadership of co-operative organizations. Even though the co-operative structure itself is very inclusive and acknowledges

the diversity of thoughts, in the co-operative sector these principles of inclusivity and diversity are not acknowledged the way they should be."

When the sector chooses to advocate on behalf of equity-deserving communities and follows through, it builds the trust that makes further engagement possible. One promising example comes from a provincial co-operative association that has begun engaging regulators around ROSCAs and informal financial co-operation, recognizing that communities pulling funds and lending to one another collectively represent a legitimate and long-standing form of co-operation. The fact that those conversations were happening at all built confidence and trust in the broader co-operative sector for Co-operator 1.

Gaps and Coordination Challenges

Many respondents were unable to find a coordinated source of financial and regulatory professionals, such as accountants, insurers, and lenders, who understood the co-operative model. The burden of finding, vetting, and educating those professionals fell on the co-ops themselves, adding labour that most couldn't afford during the time-pressured startup stage of development. The gap isn't only inside co-ops. It's in the ecosystem around them. Co-op Service Provider B points to another coordination gap, which is the potential for larger co-operative organizations to leverage their government relationships on behalf of smaller, under-resourced co-ops, which remains largely unrealized:

"What we'd like them to be doing more is grants. Since they are big organizations, they can be going to the government and obtaining grants to support co-operative developers and co-ops, at least for a startup."

Pathways to Success

The data on Regulatory Frameworks points to one clear pathway: sustained, informed advocacy that includes equity-deserving voices. Co-ops cannot regulate their way to inclusion, but the sector can seek inclusive innovation by pushing for regulatory frameworks that recognize diverse models of co-operation, including informal and culturally rooted ones. This includes resourcing larger co-operative organizations to act as conduits, securing grants and government support that flows toward equity-deserving co-ops.

4.4 Co-operative Development and Technical Support

Technical support is the advisory, educational and financial resources supporting co-operative business formation and growth, including the providing of expertise and training in the incorporation process, strategic planning, capitalization, legal, marketing, human resources and co-operative governance.

Barriers and drop-off points

Similar to trends identified by actors across the entire co-op sector (Yu et al., 2025, 2026), lack of general awareness of the co-op model is hindering its adoption. Several co-operators and service providers pointed to a business development ecosystem, offerings from municipalities or post-secondary institutions for example, that exclude co-operatives. The onus is placed on the co-operative sector to provide development support, but respondents identified inconsistencies in quality of service and lack of qualifications among co-op service providers as an obstacle that leaves entrepreneurs without adequate guidance. “It’s not a consistently defined practice — co-op development in general,” says Co-operator 3. “I don’t think it’s a well-defined or consistently executed way of supporting people.”

When efforts are made to support entrepreneurs who come to co-op service providers after receiving services from the larger business development ecosystem, the lack of awareness of the model and the needs of its entrepreneurs collides to exacerbate the inconsistent support. Co-op Service Provider H notes there are many general business development supports in Quebec, but they aren’t tailored to social economy models, and co-ordination that could lead to a seamless transition in support is difficult:

“Those who specialize in supporting, for example, underrepresented groups—even if they are sometimes recognized as intermediaries or connectors—still find it difficult to build strong links. And the ecosystem doesn’t always realize that, in its practices, there may be certain barriers to participation, inclusion, and access to certain ways of operating.”

Relatedly, respondents spoke of the lack of available resources that are specifically adapted to co-operatives and other democratically controlled, collective or horizontal models. Co-operator 9 provided an example of their co-op having to adapt human resources policies written for hierarchical models, which presumed an HR manager, themselves. Moreover, the available resources offered no guidance on how to address multiple oppressions. Elsewhere, respondents expressed an unmet need for industry-specific development resources or co-op developers with specializations in different industries. This can be a barrier to the development and growth of co-operatives in sectors overrepresented by equity-deserving workers, such as residential and commercial cleaning, care and home support, agriculture and food services. These sectors experience issues with precarious and extractive employment, and co-ops can provide an alternative featuring collective ownership and fairly compensated work. But an ecosystem of co-op service providers who function as generalists limit the possibilities of growth in these sectors.

Time poverty, the chronic feeling of having too many tasks and not enough time, and precarious income are structural barriers to accessing co-op development support for equity-deserving entrepreneurs. Operating a business is a time intensive endeavour. In terms of co-ops, several respondents noted that the trade-offs often involve sacrificing the seemingly more “conceptual” aspects of co-operative development, such as workplace democracy, for immediate demands like “getting money for payroll,” observes Co-operator 7.

Several respondents noted that the bar for developing co-ops is high for any entrepreneur as is the complexity of the process, particularly incorporation. Speaking to the most requested development supports, Co-op Service Provider G provides:

"How do I write my articles of incorporation? How do we hold our first annual general meeting? What are all the rules and complexities around decision-making? It's an artificial construct that comes with maturity. How much democracy is enough? Do we always need to be meeting? And how do we develop a strategic plan, a first budget, and a sales plan? Internally, it's very similar for everyone. Very few people are trained to be entrepreneurs. We're all trained to be employees."

When socioeconomic status intersects with time demands and overly complex processes, it can make the situation more challenging for equity-deserving entrepreneurs. Co-op Service Provider C concludes:

"Co-op development isn't really accessible for low-income racialized communities. There's not enough funds to be able to support their development journey because they're mostly working other jobs, taking care of kids and all of that. So to be able to take like 10-15 hours out of your week to develop a whole other business on top of everything else that you're doing makes it hard."

Supports and leverage points

Several supports were identified that addressed the barriers. Co-operator 7 lamented not being able to access all of the in-person development support offered by their regional co-op service provider, but found the short format, on-demand and online resources they could access as a member of a national federation more accessible. On the other hand, many respondents spoke of the impact of working step-by-step with a co-op developer over a period of months or years. The most referenced areas of positive impact were the role developers played in networking, particularly making connections that led to client and supplier acquisition, and navigating available supports that are relevant to the co-op's situation.

Key to the impact of mid- to long-term co-op developer support was the establishment of trust and intentional relationship-building. This factor also influences the willingness of equity-deserving entrepreneurs to access support, whether it is technical, financial or targeted support for equity-deserving groups.

"One of the main reasons why members of equity groups would accept targeted support is if they feel like it is genuine and not tokenism," says Co-op Service Provider E. "If it's not coming from a genuine sense of, 'We see the value in your

development; we see the value in your growth,' then I think that it's a turn off for equity-denied individuals in the co-op space."

Representation and culturally-responsive services play important roles in offering non-tokenized support. Co-op service providers who share the lived experiences of the co-operators they serve can more effectively build trust and deliver services. Co-op Service Provider F supports newcomer entrepreneurs, co-designing programming with participants based on community-driven needs assessments:

"Our co-op is founded by members of equity-deserving groups and we all have lived experience of navigating the complexities of the system, especially the foreign credential recognition process. We all went through this co-creation process, so our members...helped us build this as an inclusive process, and they felt very comfortable using the process after its development because they were part of the co-design and co-development of it."

Gaps and co-ordination challenges

Some respondents observed a gap between the inclusivity claims of co-op service providers in their regions and the creation of inclusive environments. When providers lean on good intentions but omit, for example, critical analyses or evidence-based design for equity and inclusion, it creates gaps in their offerings that inevitably exclude equity-deserving groups. Respondents observed that the lack of truly inclusive or safe spaces prevent equity-deserving entrepreneurs from approaching service providers for support.

Without an equity lens, this can lead service providers into concluding that there are no equity-deserving co-ops or that these groups aren't interested. Co-op Service Provider H shares:

"As a brief anecdote, one of the projects we submitted with a partner—this partner was specifically targeting Black communities—told me, "No, those businesses don't exist. In this case, there are no social economy enterprises in Quebec led by Black communities, so we don't fund any. It really made me smile, because it's actually a clear example of the issue: these enterprises do exist, but they aren't coming to our structures—and that's exactly what we're trying to understand. It shows how relevant the project was, because for the partners, not funding them was equivalent to them not existing. Whereas for us, it highlights a breakdown in communication or an access issue that needs to be understood—and that's what we're trying to address."

Equity-deserving co-operators, on the other hand, are led to conclude that they are unwelcome in the co-operative sector. "If I go to a co-op developer portal or database and I don't see a lot of representation of people that look like me, the first question that comes up is: Is that space really for you?" questions Co-operator 1.

Pathways to success

Building on the identified supports, respondents recommended several approaches tailored to equity-deserving groups that could be further actioned in the co-op sector.

There is a need for dedicated spaces to connect, voice challenges and build networks among equity-deserving entrepreneurs. Co-op Service Provider G spoke of having to help groups navigate code switching, a self-preservation tactic where equity-deserving groups have to adjust their speech, appearance, behaviour and expression to optimize the comfort of dominant social identities.

But this is additional (and harmful) labour for both equity-deserving service providers and co-operators. The respondents who have designed or are in the process of designing these dedicated spaces speak to their impact. Says Co-operator 1: "You want support where you don't have to expend a lot of resources explaining who you are, explaining your worldview or how you even see co-operativism. So, it's having that starting point of relatability, representation and just kind of speaking the same language."

The importance of culturally responsive and community-designed programs were discussed previously. Boosting this impact requires the availability of educational and technical resources that highlight the contributions and experiences of equity-deserving entrepreneurs in the co-op sector, remarked some respondents.

The challenges of the co-op sector collaborating with the general business development ecosystem was previously highlighted. However, the need for development support that is grounded in both co-op and general business practices remains key. A path forward was presented by two respondents. A Newfoundland-based co-op service provider and a staff member from the provincial co-op association spoke of a partnership agreement that bridges co-op, general business and equity and inclusion practices to create a holistic offering to the immigrant and newcomer communities they serve. This needs-assessment-driven, community-specific programming done in partnership with actors within the sector is a promising model that could provide insights to the larger co-op ecosystem.

5.0 Discussion and Recommendations

The following recommendations are drawn from the report's findings. They are organized by theme with the actors best positioned to act on each identified within.

5.1 Regulatory Frameworks

Recognize diverse models of co-operation in law and policy

Federal and provincial policymakers should explore reforms to regulatory frameworks that recognize informal and culturally rooted models of financial co-operation, including ROSCAs and other community lending traditions. Research has found that current financial structures remain influenced by colonial frameworks, which excludes practices many equity-deserving communities have relied on for generations.

Build capacity for equity-deserving voices in advocacy and lobbying

Equity deserving co-operators can and do advocate for themselves, but without capital, relationships, and resources their ability to influence policymakers is limited. Co-op federations and associations should create intentional pathways for equity-deserving co-operators to participate in government engagement. Federations and associations can invest in relationships built on shared experience, cultural safety, and long-term presence in equity-deserving communities so that those most affected by policy can help shape it.

5.2 Capital, Financing and Funding

Leverage larger co-op organizations to fund equity-deserving co-ops

Established co-op federations and associations should use their access to the funding ecosystem to secure and channel grants toward equity-deserving co-ops. This access is a privilege built over time, and is one that underserved organizations, who are often without the time or capacity to build those relationships, do not have. Extending it is both consistent with the co-operative value of solidarity and one of the most concrete ways larger organizations can advocate for the sustained, long-term resourcing equity-deserving co-ops need, rather than the one-off injections that have characterized support to date.

Offer financial coaching as part of co-op readiness assessments

Co-op developers and support organizations should integrate financial coaching, including money mindset work, which addresses deep-seated beliefs, attitudes, and emotional responses toward money, into co-op readiness

assessments for equity-deserving entrepreneurs. Recognizing it as a legitimate stage of development acknowledges that entrepreneurship does not happen in isolation from the economic conditions equity-deserving groups have been forced to navigate, including distrust of financial institutions, exclusion from mainstream financial models, and the economic displacement that often accompanies the immigration experience. Coaching subsequently sets the stage for the development of culturally responsive financial support.

Design targeted funding streams for equity-deserving groups and streamline application processes

Funders should develop dedicated funding pools for equity-deserving co-operators. Targeted funds meaningfully increase participation from communities that have learned, as a means of self-preservation, not to compete in systems that have historically excluded them. Application processes should be accessible and offered in multiple formats, including video calls and guided conversations, to remove barriers for those who speak English as a second language, experience learning disabilities or live with a neurodiversity that makes traditional written applications a challenge. Co-op service providers should actively support entrepreneurs in finding and navigating these opportunities so that groups neither miss them nor quietly opt out because the process feels out of reach.

Address the startup gap for equity-deserving entrepreneurs

Funders and policymakers should develop bridging resources, including income support and extended timelines, for equity-deserving entrepreneurs navigating the prolonged startup phase. Well-resourced entrepreneurs can absorb the costs of this period, drawing on savings, generational wealth or professional networks to sustain themselves while a business takes shape. Equity-deserving entrepreneurs rarely have that runway. Many entrepreneurs are working other jobs and supporting dependents while building a business simultaneously. The problem is compounded for equity-deserving entrepreneurs, who are forced to abandon development before it is complete simply because they cannot afford to wait for income that hasn't arrived yet. Closing this gap is not a concession. Rather, it is a recognition that the starting line is not the same for everyone.

5.3 Co-op Development and Technical Support

Design culturally responsive, community-designed co-op development programs

Equity-deserving entrepreneurs would benefit from co-op development training and resources that are culturally responsive and community-driven. Co-op service providers should explore co-design models with the communities they serve, staffed by practitioners with shared lived experience and grounded in community-specific needs assessments. Trust — built over time by people who understand the unique lived experiences, strengths, and challenges of the communities they serve — is a precondition for equity-deserving entrepreneurs to access support. Programs rooted in genuine relationship and representation, rather than good intentions alone, are more effective at reaching and sustaining the participation of equity-deserving groups.

Create dedicated spaces for equity-deserving co-operators to connect and build networks

Co-op federations and associations should support the creation of dedicated peer spaces for equity-deserving co-operators, reserving room for peer networking at conferences or facilitating virtual connections between members. Code-switching and the labour of self-explanation in mainstream spaces impose real costs on equity-deserving entrepreneurs and service providers. Dedicated spaces reduce this burden, enabling the authentic relationship-building and mutual support that underpins effective co-operative development.

Recognize and celebrate diverse models of co-operation in training, programming and membership

Co-op federations and associations should review and update their training, programming, and membership policies to recognize informal and culturally-rooted models of financial co-operation — including ROSCAs and other community lending traditions — as legitimate expressions of co-operative practice. This means moving beyond a narrow definition of co-operation rooted in formal incorporation and Western financial structures, and actively incorporating the histories, practices, and contributions of equity-deserving communities into educational resources, conference programming and membership offerings. Federations and associations that reflect the full diversity of co-operative tradition are better positioned to welcome and retain the equity-deserving entrepreneurs who have been practicing co-operation long before they encountered the formal sector.

Map the full landscape of equity-deserving co-operatives in Canada

Co-op federations and associations should commission and maintain a comprehensive, landscape map of the Canadian co-operative sector that identifies equity-deserving co-ops, the sectors they operate in, and the communities they serve. An accurate picture of who is building co-operatives in Canada is a prerequisite for targeted funding, relevant programming and informed advocacy. The map should be user-friendly and have an accessible widget, filterable by intersecting identities, sectors, regions, and organizational stages. Equally important, the data collection process must be designed with equity in mind, conducted in partnership with equity-deserving communities, available in multiple languages and built on reciprocity rather than extractive research practices. Communities that have historical reasons to be cautious about how their data is used must have a meaningful say in how it is gathered, held, and shared.

5.4. Transfer of Knowledge, Skills and Competencies

Develop industry-specific co-op development expertise in sectors where equity-deserving workers are overrepresented

National and regional co-operative federations and associations, in partnership with educational institutions, should invest in training co-op developers with specialized knowledge in the sectors where equity-deserving workers are most concentrated, including residential and commercial cleaning, care and home support, agriculture, food services, transportation and manufacturing. These industries are overrepresented by racialized, immigrant, and newcomer workers, disproportionately women, who are among the least protected and lowest paid. Worker co-operatives have demonstrated that collective ownership can transform precarious, extractive employment into dignified, fairly compensated work. Realizing that potential requires developers who combine sector-specific technical knowledge with deep understanding of the communities they serve, including the lived realities of workers navigating precarious immigration status, foreign credential devaluation, language barriers and the compounding effects of race, gender, and class.

Ensure professional services are accessible and relevant to equity-deserving co-ops

The co-operative sector should partner with professional associations to provide training on the co-operative model to the accountants, lawyers, insurers and lenders that equity-deserving co-ops depend on. All co-ops suffer when the professionals rely on lack familiarity with democratic governance structures, but the consequences are sharper for equity-deserving entrepreneurs who may be engaging with these professionals for the first time. For example, an accountant unfamiliar with the membership share structure can close doors that equity-deserving entrepreneurs didn't know were open. Training should be practical and plain-language, equipping professionals to give advice that reflects the realities of co-operative businesses and delivered in ways that ensure equity-deserving entrepreneurs can make the best decision for their business.

Fill the research gap on co-operativism among underrepresented communities

Post-secondary institutions and co-operative researchers should prioritize building the evidence base on co-operativism among communities that are currently underrepresented in the literature, including racialized communities, persons with disabilities, 2SLGBTQIA+ members, newcomers, refugees, and asylum seekers, as well as class-based analyses that center people facing barriers to economic participation. The existing body of co-operative research does not reflect the full range of communities practicing and benefiting from co-operativism, which limits the sector's ability to design support that is relevant, responsive and grounded in lived experience.

Decolonize co-operative research and curriculum to include informal and culturally rooted co-operative traditions

Post-secondary institutions and co-operative researchers should fundamentally broaden how co-operation is defined, studied and taught, moving beyond the Eurocentric and Rochdale-centered narrative that has dominated the field and excluded the contributions of Black, Indigenous and racialized Canadians. Researchers should also shift from deficit-based framings that ask why equity-deserving communities have failed to engage with formal co-operative structures toward asset-based approaches that recognize the deep co-operative expertise these communities already hold. Research that frames these communities as unfamiliar with co-operation is not only inaccurate, but it also actively perpetuates the erasure it claims to study.

6.0 Conclusion

Canada's co-operative and mutual sector is not a peripheral part of the economy — it is a foundational one. Across sectors and regions, co-operatives and mutuals contribute to economic activity, support employment, and provide essential services, while anchoring ownership and decision-making within communities. From housing and financial services to food systems, energy, and small business succession, the model demonstrates a consistent ability to address market gaps and deliver long-term, locally rooted value.

At the same time, this report makes clear that the sector remains structurally underleveraged.

Across all five parts of the report, a consistent pattern emerges: co-operatives are often included in principle but not fully reflected in the systems that shape economic participation and growth. This is evident in internationalization, where co-operatives remain underrepresented in trade strategies; in the development ecosystem, where supports exist but are fragmented; in access pathways, where participation is uneven; and in data systems, where the sector is only partially visible.

Taken together, these dynamics point to a central challenge — and opportunity. The issue is not the absence of co-operative activity or impact, but the absence of intentional alignment between the co-operative model and the policy, financing, and support systems that enable growth.

Addressing this gap does not require building entirely new systems. In many cases, it requires adapting existing ones — ensuring that programs, regulatory frameworks, financing tools, and development supports recognize and accommodate co-operative ownership structures and operating realities. It also requires strengthening coordination across the ecosystem, improving access to capital and technical support, and investing in data infrastructure that makes the sector visible and measurable.

The report also underscores that strengthening the co-operative sector is not only a question of scale, but of who participates. Expanding access to co-operative development — particularly for equity-deserving communities — is both an equity consideration and an economic opportunity. Co-operatives are uniquely positioned to support inclusive forms of entrepreneurship and ownership, but this potential can only be realized if barriers to entry and participation are addressed.

The opportunity ahead is clear: to move from recognition to integration.

This means ensuring that co-operatives are not only acknowledged as part of Canada's economic landscape, but are actively incorporated into the design of policies, programs, and investment strategies that will shape its future. With the right alignment, co-operatives and mutuals can play a significantly expanded role in advancing Canada's economic resilience, competitiveness, and inclusive growth.

Ultimately, this report points to a simple conclusion: co-operatives are not an alternative to the economy — they are an integral part of it. Strengthening the systems that support them is not only about supporting a sector, but about strengthening the broader economy they help sustain.

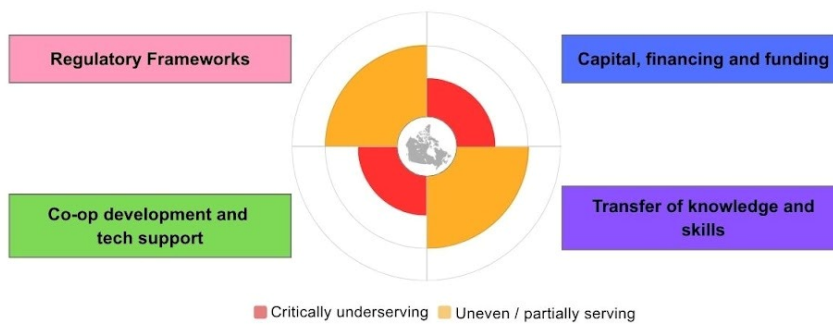
7.0 Contributors List

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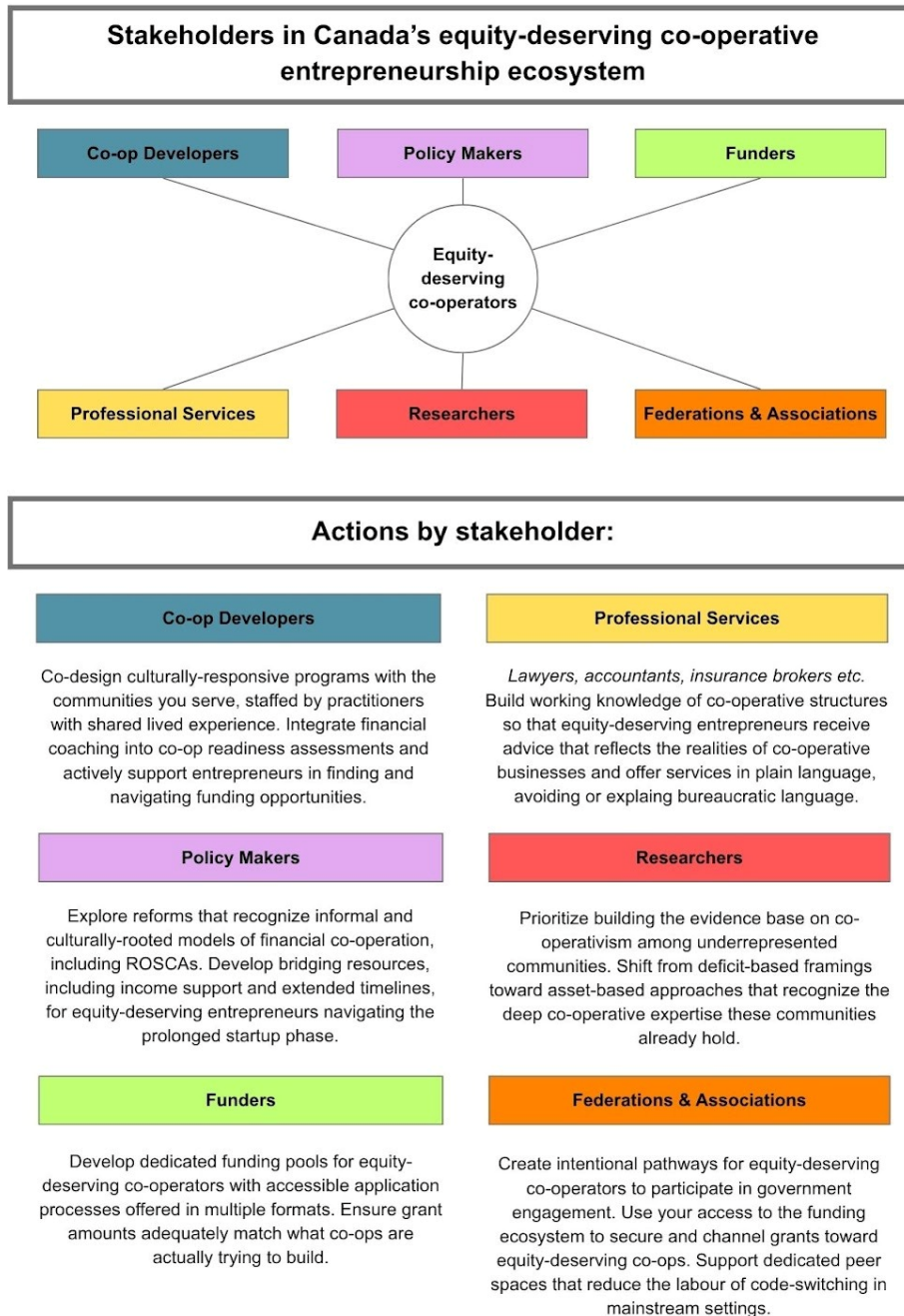
Appendix 1: Enabler Strengths and Weaknesses

Strengthening Equity and Access to Co-op Development Supports



Regulatory Frameworks	Capital, financing and funding
<p>Advocacy for the specific needs of equity-deserving co-ops is emerging and trust is increasing, but relationship-building and policy change remain slow and uneven across the sector.</p> <p>Recommendations:</p> <p>Co-operative federations and associations should create intentional pathways for equity-deserving co-operators to participate in government advocacy and push for regulatory recognition of informal and culturally-rooted models of co-operation.</p>	<p>Culturally-rooted financial models like peer-to-peer lending remain outside co-op financial frameworks. Funding pools for equity groups are undercapitalized. Time poverty and financial precarity affect startup.</p> <p>Recommendations:</p> <p>Funders should create adequate funding pools with accessible application processes and develop bridging resources for equity-deserving entrepreneurs navigating the prolonged startup phase. Service providers should integrate financial coaching into co-op readiness support.</p>
Co-op development and tech support	Transfer of knowledge and skills
<p>Culturally-responsive co-op development is scarce, and mainstream support structures remain difficult to navigate for equity-deserving entrepreneurs.</p> <p>Recommendations:</p> <p>Co-op service providers should co-design culturally-responsive programming with equity-deserving communities, staffed by practitioners with shared lived experience and create dedicated peer spaces that reduce the labour of code-switching in mainstream settings.</p>	<p>Co-operation is a cultural and values-aligned practice, yet participating in the Canadian co-operative sector remains a challenge for equity-deserving entrepreneurs.</p> <p>Recommendations:</p> <p>Federations, professional associations, and post-secondary institutions should invest in industry-specific co-op developers for sectors where equity-deserving workers are overrepresented, and shift research and curriculum away from Eurocentric frameworks toward asset-based approaches that recognize pre-existing co-operative traditions in equity-deserving communities.</p>

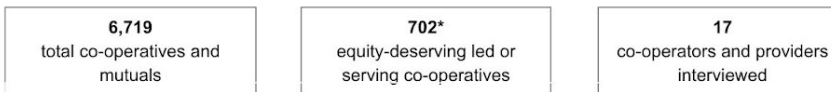
Appendix 2: Stakeholder Recommendations



Appendix 3: Report Summary

Strengthening equity and access in Canada's equity-deserving co-operative entrepreneurship ecosystem

Snapshot of Canada's co-operative sector



*This figure reflects single-identity filtering and may overcount co-operatives that hold multiple equity-deserving identities.

Leadership representation gap in 136 co-ops and credit unions surveyed**:

73% of co-ops have no visible-minority directors

84% have no 2SLGBTQIA+ directors

**Pigeon, M-A et al. (2025). Co-ops and credit unions: report from the board room. Canadian Centre for the Study of Co-operatives

Four enablers - current state:

Regulatory Frameworks

Advocacy for equity-deserving co-ops is emerging, but relationship-building and policy change remain slow. Current regulatory frameworks do not recognize informal and culturally-rooted models of financial co-operation.

Capital, financing and funding

Financial system structurally excludes equity-deserving groups. Time poverty and startup gap hit hardest. Targeted funds increase participation meaningfully.

Co-op development and tech support

Culturally-responsive co-op development is scarce. Mainstream support is difficult to navigate. Code-switching imposes real costs in mainstream spaces.

Transfer of knowledge and skills

Co-operation is a values-aligned practice, yet participating in Canada's formal sector remains a challenge for equity-deserving entrepreneurs.

The top priority for the established co-operative sector and equity-deserving entrepreneurs is building trust through representation, program and grant co-design and sustained relationships

Key recommendations

- 1 Recognize diverse models (ROSCAs, informal lending) in federal and provincial law
- 2 Create intentional pathways for equity-deserving voices in government advocacy
- 3 Leverage larger co-op federations to fund and resource equity-deserving co-ops
- 4 Integrate financial coaching into co-op readiness assessments as a prerequisite
- 5 Design targeted funding streams with accessible, multi-format application processes
- 6 Co-design culturally-responsive, community-led development programs
- 7 Create dedicated peer spaces for equity-deserving co-operators
- 8 Develop industry-specific co-op expertise in sectors where equity-deserving workers are overrepresented
- 9 Decolonize co-operative research and curriculum moving beyond the Eurocentric narrative

● Regulatory Frameworks ● Capital, financing and funding ● Co-op development and tech support ● Transfer of knowledge and skills

Strengthening Equity and Access to Co-op Development Supports, Cooperatives and Mutuals Canada - 2026

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