

CANADIAN CENTRE FOR THE STUDY OF CO-OPERATIVES (CCSC)

---

## The 2024 Top Co-op Issues Survey Report

---

**Author(s):** Stan Yu, *CCSC Research and Communications Coordinator*  
Syed Jafar Raza Rizvi, *CCSC Research Assistant*

**Date:** May, 2025





Copyright © 2025 Canadian Centre for the Study of Co-operatives

All rights reserved. No part of this publication may be reproduced in any form or by any means without the prior written permission of the publisher.

**Canadian Centre for the Study of Co-operatives**

101 Diefenbaker Place

University of Saskatchewan

Saskatoon SK Canada S7N 5B8

Treaty 6 Territory and Homeland of the Métis

t: (306) 966-8509

e: [coop.studies@usask.ca](mailto:coop.studies@usask.ca)

w: <http://www.usaskstudies.coop>



# Table of Contents

Executive Summary ..... 1

Sommaire ..... 1

Introduction ..... 3

Profile of Respondents..... 3

Findings ..... 4

    1. Improving awareness about the relevance of the co-operative model with the general public, members, youth, government, and other stakeholders..... 4

    2. Access to capital and financing..... 5

    3. Developing Strong Co-op Leaders ..... 5

    4. Governance ..... 6

    5. Nurturing Cooperation amongst Co-operatives ..... 7

    6. Policy changes that do not account for co-operatives..... 7

    7. Ensuring that management practices are adapted to co-operatives ..... 8

    8. Co-operative Development ..... 8

    9. Other Issues..... 8

APPENDIX A: A SELECTION OF RESPONDENT QUOTES ON THE SURVEY THEMES ..... 10

APPENDIX B: 2024 TOP CO-OP ISSUES SURVEY..... 15

## Executive Summary

For the seventh consecutive year, a survey of Canadian co-operative leaders found that the lack of awareness of the co-operative model continues to be the most pressing and important challenge facing the co-operative sector. As one of the 148 respondents to the Canadian Centre for the Study of Co-operatives' 2024 Top Co-op Issues survey explained, *"Canadians want to work and shop at places that match their values. But there is a disconnect with their knowledge and understanding of the co-operative model and the opportunities to align with their personal values."*

For co-op leaders, this issue of awareness creates a ripple effect that leads to many of the other top challenges identified in this survey.

For the fourth year in a row, the second most pressing issue for co-operative leaders is the need to access capital and financing. Most co-operatives continue to grapple with the tension between using their retained earnings to prioritize long-term growth or provide annual member patronage. Meanwhile, co-operatives struggle to obtain funding from banks because most lenders do not understand the co-operative model. Co-op leaders call for more funding avenues to support growth, such as a "Community Futures" but for co-operatives.

Also, for the fourth year in a row, the need to develop strong co-operative leaders was listed as the third most pressing challenge facing the co-operative sector. Co-operative leaders are increasingly facing succession challenges as senior co-operative leaders in management and at the board level are aging out and/or retiring from the sector. The most common approach to addressing this challenge has been to recruit leaders from outside the sector and these leaders often do not understand the uniqueness of the co-operative model. Co-op leaders emphasized that the responsibility to develop the next generation of co-operative leaders must be a collective responsibility, where more educational, training, and mentorship opportunities could help to address this issue.

Jumping two spots from sixth in 2023 to being ranked fourth in 2024 is the issue of co-operative governance. Co-op leaders are experiencing a challenge of finding board members who are skilled and experienced, and able to govern through a co-operative lens. Rounding out the top five for the second year in a row is the need to nurture cooperation amongst co-operatives (Principle 6). Co-operative leaders observe that the status quo within the sector consists of little to no cooperation amongst co-operatives.

A full list of the rankings from the 2024 survey, alongside the rankings from the past four years and how each challenge has trended within the rankings over time, can be found in Figure 1.

## Sommaire

Pour la septième année consécutive, un sondage mené auprès des dirigeants de coopératives canadiennes a révélé que le manque de sensibilisation au modèle coopératif demeure le défi le plus urgent et le plus important auquel est confronté le secteur coopératif. « Les Canadiens souhaitent travailler et faire leurs achats dans des endroits qui correspondent à leurs valeurs. Cependant, il existe un écart entre leurs connaissances et leur compréhension du modèle coopératif et les possibilités de s'y conformer. », a expliqué un des 148 participants au sondage 2024 sur les principaux enjeux coopératifs, mené par le Centre canadien d'étude des coopératives.

Pour les dirigeants de coopératives, ce problème de sensibilisation crée un effet d'entraînement qui mène à d'autres grands défis identifiés dans ce sondage.

Pour la quatrième année consécutive, le deuxième enjeu le plus urgent pour les dirigeants de coopératives est le besoin d'accéder aux capitaux et au financement. La plupart des coopératives sont toujours soumises à une tension entre l'utilisation de leurs bénéfices non répartis pour privilégier la croissance à long terme et l'octroi d'un parrainage annuel à leurs membres. Parallèlement, les coopératives ont du mal à obtenir des financements bancaires, car la plupart des prêteurs ne comprennent pas bien le modèle coopératif. Les dirigeants de coopératives réclament davantage de moyens financiers pour soutenir la croissance, comme « un programme du développement des collectivités » destiné aux coopératives.

De plus, pour la quatrième année consécutive, la nécessité de former des dirigeants coopératifs expérimentés a été mentionnée comme le troisième défi le plus pressant du secteur coopératif. Les dirigeants de coopératives sont de plus en plus confrontés à des problèmes de succession, car les cadres dirigeants et les membres du conseil d'administration vieillissent et/ou partent en retraite. L'approche la plus courante pour relever ce défi consiste à recruter des dirigeants n'appartenant pas au secteur, et donc ne comprennent souvent pas le caractère unique du modèle coopératif. Les dirigeants de coopératives ont souligné que la responsabilité de former la prochaine génération de dirigeants coopératifs doit être collective, où plus d'opportunités de formation et de mentorat pourraient contribuer à résoudre ce problème.

La question de la gouvernance coopérative a progressé de deux places, passant de la sixième place en 2023 à la quatrième place en 2024. Les dirigeants de coopératives ont du mal à trouver des membres de conseil d'administration compétents et expérimentés, capables de gouverner dans une optique coopérative. Pour la deuxième année consécutive, la nécessité de favoriser la coopération entre les coopératives (Principe 6) occupe le top 5. Les dirigeants de coopératives constatent que la situation actuelle au sein du secteur se caractérise par une coopération faible, voire inexistante.

La liste complète des classements du sondage de 2024, ainsi que ceux des quatre dernières années et l'évolution de chaque défi au fil du temps, sont présentés dans la figure 1.

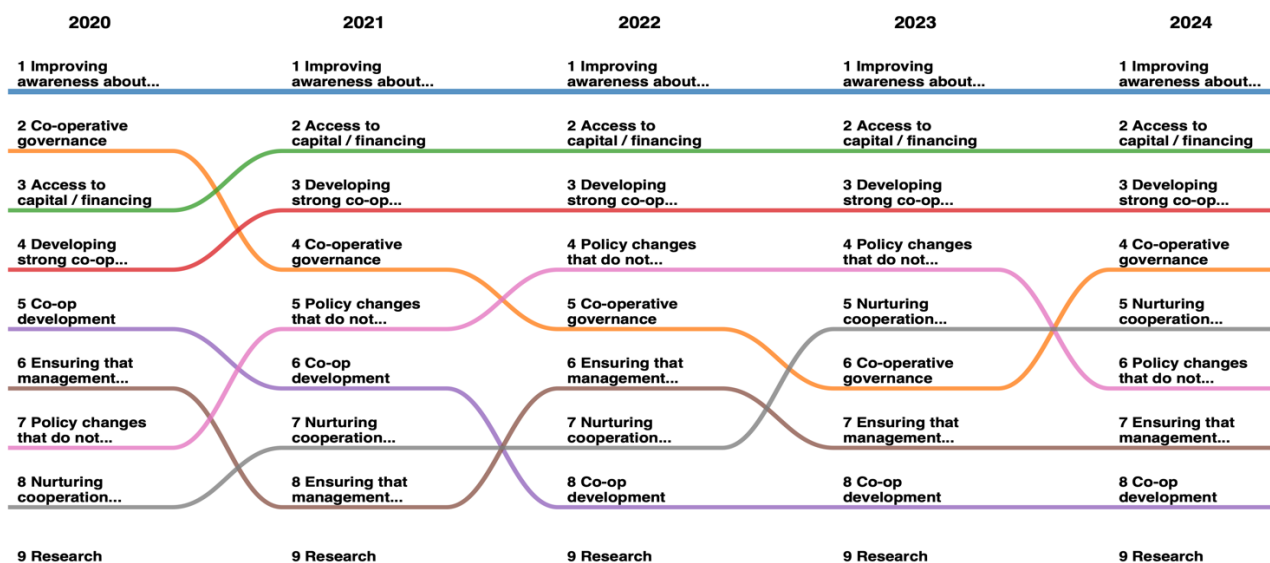


Figure 1: List of Top Co-op Issues Survey Rankings, 2020-2024

## Introduction

For the ninth year in a row, the Canadian Centre for the Study of Co-operatives (CCSC) reached out to a broad cross-section of co-operative leaders—including Chief Executive Officers/Executive Directors, managers, board members, and researchers—to ask for their opinion on the most pressing and important issues facing co-operatives today. We collected data between November 29, 2024, and December 31, 2024. As in years past, respondents were able to participate in English or French.

Like the 2023 survey, this survey incorporated a pre-populated list of top co-operative issues derived from past survey findings. The list was randomized for each respondent. Respondents were asked to select the three most important challenges facing co-operatives in Canada in ascending order, followed by an open-ended question that invited respondents to elaborate on each of the identified challenges. A selection of these anonymous open-ended responses pertaining to each challenge can be found in Appendix A. For the survey tool, see Appendix B.

We inversely weighted the data to reflect the ranking hierarchy. For example, we assigned the largest value to the top issue identified by each respondent, the second largest value to the second choice, and third-largest value to the third choice. We then tallied the score for each to produce our rankings. This year, we introduced the use of Structural Topic Modelling (STM) to analyze our open-ended survey responses for core themes. STM is a machine learning technique to mine text and identify and summarize themes based on the text. The authors vetted and validated the STM generated themes.

## Profile of Respondents

As with previous surveys, the CCSC partnered with [Co-operatives and Mutuals Canada \(CMC\)](#) as well as several provincial co-operative associations to distribute the survey to a broader network of co-operatives and credit unions across Canada. In total, 148 leaders from the co-operative sector completed the survey. This response rate is higher than the 2023 (where 140 participated) and 2022 (where 75 participated) iterations of the survey.

As shown in Figure 2, the largest number of survey respondents for this year's survey was from Saskatchewan. This was followed by Ontario, Alberta, then British Columbia. While Saskatchewan has historically shown strong support for the survey, having Saskatchewan co-op leaders comprise almost half of the responses is unprecedented. We do note, however, that the rankings and themes within the survey remain consistent despite the skew in geographical representation this year.

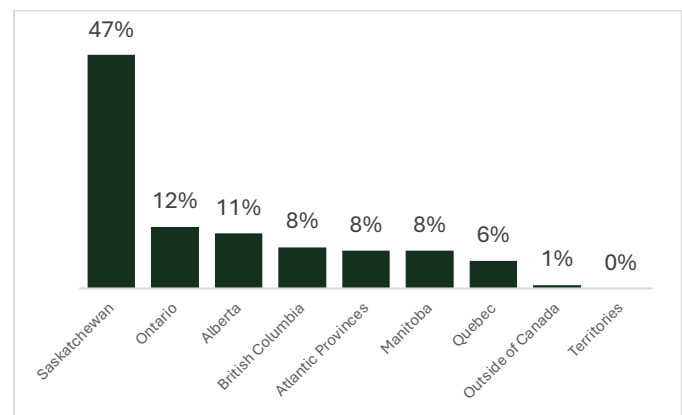


Figure. 2: Geographic Location of Respondents

Almost half of the survey respondents said they held management (46%) roles. Meanwhile 27% said they were on the board of a co-operative, with another 8% of respondents said they were co-op developers and 6% were co-operative researchers/academics/scholars. The remaining 13% described themselves as legal partners, consultants, advisors, experienced staff, retired

executive members, or involved co-operative members.

Among those who said they worked for a co-operative, the median number of employees in their organization was 50, while the participating organization with the greatest number of employees had 25,000.

## Findings

In 2024, co-operative leaders identified the following issues as the most important challenges uniquely facing the movement:

### **1. Improving awareness about the relevance of the co-operative model with the general public, members, youth, government, and other stakeholders**

For the seventh year in a row, co-operative leaders said the need to improve awareness about the relevance of the co-operative model was the most pressing challenge facing the Canadian co-operative movement. In 2024, this issue garnered 28% of all votes cast, slightly less than the 29% who chose this response in 2023.

Overall, co-op leaders agree that members of the public are generally not aware of the co-operative model or co-operatives are seen as “just another option” for consumers without any deeper understanding of what is unique about co-operatives and why they are different from multinational corporations/Investor-Owned Firms (IOFs)/other forms of business. Numerous co-operative leaders indicated that this is especially observed amongst youth and newcomers. Without this understanding of the co-operative difference, co-op leaders caution that co-operatives will “*face a race to the bottom as consumers seek out products and services based solely on price.*” Because most co-operatives cannot match the size and scale of their IOF competitors, this poses a risk to the sector.

For co-op leaders, this issue of awareness creates a ripple effect that leads to many of the other top challenges identified in this survey. Without broader awareness and support, co-operatives experience more challenges with accessing financing from financial institutions (i.e. access to capital and financing – the second ranked issue), are less considered within government priorities and policies (i.e. policy changes that do not account for co-operatives, or the sixth ranked issue), receive less support and consideration by business development and support agencies (i.e. co-operative development – the eighth ranked issue), and struggle to attract new members necessary for growth.

To overcome this challenge, there is a need for increased promotions surrounding the co-operative difference. However, this promotional effort is easier said than done. Currently, co-operatives are not taught in educational institutions at any level, business schools, or government training programs. Therefore, as one respondent summarized:

*The responsibility of educating and sharing co-op success with the public, post-secondary institutions, and the government falls to the co-op's themselves and can rarely reach top priority as co-op members are primarily focused (energy, resources, and money) on inward efforts. It takes considerable effort, resources and funds to promote the co-op model to those outside of the co-op ecosystem and it's becoming increasingly difficult to allocate resources to this work as the "member benefit" is largely unseen (long game vs. short game).*

Co-op leaders further pointed out that the advantages of the co-operative model are copious, but not easy to succinctly describe. As one respondent wrote, “*There is a 15 second attention span with people. Coop relevance discussion takes a longer time frame. Government (is) not interested in long term benefits, same with some people.*”



Nevertheless, co-op leaders agree that there is a significant opportunity for the co-operative sector to articulate and connect the model to be thought of more favourably by Canadians. Co-operatives' inherent focus on local investment, care for community, and emphasis on member value over shareholder value are directly aligned with the social values of today's consumer. One respondent explained, *"It is clear that young Canadians want to work and shop at places that match their values. But there is a disconnect with their knowledge and understanding of the co-operative model and the opportunities to align with their personal values."* Other co-op leaders raised the examples of ESOP or B Corp as successful case studies of how organizations can highlight their social values and impact to consumers and the general public.

## 2. Access to capital and financing

For three straight years in a row, the second most pressing challenge facing Canadian co-operatives – at 14% – was access to capital and financing. This issue also received 14% support in 2023. Co-op leaders expressed ongoing frustration with the lack of external opportunities and avenues to access capital and financing. With limited options, co-operatives continue to rely on retained earnings to grow their organization. Paying patronage to members, however, erodes this pool of capital. Co-operatives must continuously grapple with the tension between prioritizing long-term growth by accumulating retained earnings instead of rewarding member loyalty through patronage.

According to respondents, co-operatives are constrained in their ability to raise outside capital due to a lack of understanding of the co-operative model by financial institutions and policymakers (harkening back to the top ranked issue of the need to improve awareness). Specifically, lenders are hesitant to lend to co-operatives, which the view to be "risky", "loss generators", and/or are conflated with not-for-profit organizations.

Many co-op leaders report that they need additional, outside capital and financing to invest in growth strategies; address ongoing operational issues, such as aging infrastructure; and/or tackle modernization costs, such as the rising costs of adopting new or upgrading technology. For instance, within the credit union space, one leader reported:

*The increasing development and costs of technology are challenging credit unions in their ability to keep pace with shifting consumer demand for more functionality, greater access to self-serve transactions and greater protection and security of their money (i.e., protection against cyber security fraud and loss of personal information), i.e. digital service delivery. In addition, increased costs of regulation and protection from cyber security and fraud prevention along with increased competition is putting tremendous pressure on credit union margins and efficiency ratios.*

The access-to-financing issue is particularly challenging for newer co-operatives. To address this issue, some respondents suggested the creation of a kind of "[community futures](#)" lending program but for co-operatives, thus making available more patient community capital for early-stage co-operatives.

## 3. Developing Strong Co-op Leaders

The third most pressing challenge for respondents – and it has ranked third for four years in a row with 13% support – is the need to develop strong co-op leaders. Increasingly, co-operative leaders are facing succession challenges as senior leaders – in both management and elected officials – are aging out and/or retiring. While there are younger leaders coming up the ranks, co-op leaders emphasized that the pool is small and the demand for these younger leaders is high, not only from the co-op sector but from non-co-op organizations. Meanwhile, respondents agreed that the co-

operative sector has been slow and not devoted enough resources to develop internal leaders.

As a result, the most common approach to addressing this challenge is to recruit leaders from outside the co-operative sector. However, as echoed in the fourth ranked issue (i.e. co-op governance) and seventh ranked issue (i.e. ensuring management practices are adapted to co-operatives), the risk of recruiting outside leaders is that their lack of understanding in the unique nature of the co-operative model can lead them to diluting the emphasis on co-op values and principles either unintentionally, through ignorance, or through seeing the model as an impediment rather than a strength.

Co-op leaders emphasized that the responsibility to develop the next generation of co-operative leaders must be a collective responsibility. Having more educational and training opportunities focused on co-operative leadership development, mentorship programs offered within federations or through the co-operative sector network, and the co-operative model taught within postsecondary management programs could help to address this issue. Importantly, one co-op leader noted, “*...There is a considerable difference between a manager and a leader. Leaders are visionary in nature, while managers seek to maintain the status quo. There are far fewer leaders in the world than managers, thus the challenge.*”

While this issue continues to be a pressing one, one co-op leader offered a silver lining to the potential reward of addressing this challenge, “*The good news is that those that embrace Co-ops tend to be more engaged, stay longer and appear, at least on the surface, to be happier / more content.*”

#### 4. Governance

Jumping two spots from sixth (at 6% in 2023) to the fourth (10%) most pressing issue is co-operative governance.

Co-op leaders reported an ongoing challenge of being able to recruit board members with the appropriate values, skills, and experience to serve on their board. Specifically, co-op leaders emphasized the need for directors who can see and apply co-operative values to help drive their decision making. Without these kinds of leaders, respondents expressed concern that co-operatives boards will risk not properly hold management to account, lack vision, become dominated by a few strong personalities, and/or have co-operatives governed in a way that is not consistent with their values and principles.

To address this challenge, some leaders have called for more professionalization of co-operative boards to ensure the board is governed by people with a standard of competency and skills. However, others cautioned that there is a risk to increased professionalization of the board, where the organization starts to look more like an IOF as opposed to a co-operative.

In response to this challenge, co-operative leaders underscored the importance of increased governance education and training, particularly training informed by co-operative values and principles to ensure every member of the board has the requisite understanding, knowledge of their roles, and confidence to fulfil their roles of governing their co-operative.

Relatedly, co-op leaders reported a continuing challenge with member engagement. Some noted that members of their co-operative have tended to engage with the co-op in a mostly transactional relationship. Many members appear to have no interest in participating in the co-operative more fully as member-owners, including attending the AGM or applying to be board members. For co-op leaders, this trend raises concerns about free rider problems, where a small share of the membership does most of the monitoring and engagement.

## 5. Nurturing Cooperation amongst Co-operatives

For the second year in a row, the fifth most pressing issue for co-operatives leaders, with 9% of the overall vote (up slightly from 8% in 2023), was the need to nurture cooperation amongst co-operatives. Co-op leaders observed that co-operatives often prioritize independence over collaboration and are influenced more by economic pressures and a mentality of “market expansion” over co-operative principles. Some respondents further observed that this is more often the case amongst larger co-operatives.

Meanwhile, co-op leaders indicated that co-operative federations are finding themselves now struggling with their roles to support and unite the sector. As one respondent wrote, *“We have always competed but found ways to connect and work together in the past. Now there are fewer organizations that brought coops together, so it has become up to the coops themselves to find reasons and ways to connect.”* Some further noted that funding cuts have played a part in reducing collaboration opportunities.

To start cultivating opportunities for increased cooperation amongst co-operatives, some respondents pointed out that most co-operatives *“don’t look for ways to do business with other co-ops.”* They wonder if a shift in procurement policy within individual co-operatives to encourage Principle Six, or Cooperation amongst Co-operatives would help. Others emphasized that the co-operative sector is stronger together and a cultural shift is needed from the desire to look for immediate benefit to building a co-operative movement.

---

<sup>1</sup> As stated within the guidelines of the program, “Cooperatives and credit unions are not eligible for this rebate because, among other things, a corporation must be a private corporation in order to be a Canadian-Controlled Private Corporations (CCPC). While a cooperative corporation or credit

## 6. Policy changes that do not account for co-operatives

Dropping two spots since 2023 to the sixth most pressing challenge is policy changes that do not account for co-operatives. This issue garnered 8% of the overall vote in 2024. Co-op leaders lamented the continuing tendency for co-operatives to be ignored or worse yet, marginalized by policy makers in government initiatives, programs, and/or policies that would serve to benefit co-operatives. This frustration is often seen when co-operatives are deemed ineligible for programs due to the nature of the co-operative model. One respondent cited the example of the Government of Canada’s [carbon credit rebate for small businesses](#), where the inherent structure of co-operatives made them ineligible for the program<sup>1</sup>.

Co-op leaders attribute this trend to policymakers’ lack of understanding of the co-operative model, which leads to initiatives, programs, policies, and legislation that excludes rather than includes co-operatives. Even when co-operatives are eligible for government programs, they often must adopt and mold themselves to look and act more like an investor-owned firm to be considered and competitive. Other times, co-operatives have to advocate and push for a seat at the table to ensure their perspectives are considered.

According to respondents, this exclusion has worked to stunt their operations, service to members, and growth. Co-op leaders continue to express frustration that these barriers exist despite the sector’s ongoing demonstration of its impact – economically and socially. In addition, some co-operatives report spending excessive

---

union might otherwise be a private corporation, the Income Tax Act deems cooperative corporations and credit unions not to be private corporations except for certain listed purposes, and this rebate is not one of those purposes”.

time and resources on basic advocacy for policies to account for the needs of the sector.

## **7. Ensuring that management practices are adapted to co-operatives**

As with 2023, the seventh most pressing issue for co-operative leaders is ensuring management practices are adapted to co-operatives. Respondents lamented the continuing challenge of having managers that do not understand the co-operative model. This is because co-operative managers are increasingly being recruited from outside the co-operative sector to address the shortages of highly skilled and experienced managers. They come to their role with an understanding of traditional management practices, such as top-down control and prioritizing shareholder interest, but these conflict with co-operative values, where profits are important but not the only measure of success.

New managers from outside the movement must therefore shift their leadership style, decision-making processes, and approach to organizational culture. They have to understand, appreciate, and espouse the need to balance operational efficiency with the co-op's social and ethical goals, a balance that requires a deep understanding of the co-operative model. Co-operatives leaders concede that this transition would be difficult for anyone.

To address these issues, co-op leaders advocate for more training on co-operative business model for managers, especially within business schools; a need to continue to embed co-operative management best practices within co-ops; and embedding more research, case studies, and co-operative management best practices within co-operatives.

## **8. Co-operative Development**

For the second year in a row, respondents identified co-operative development as the

eighth top issue. In 2024, this issue garnered 4% of the overall vote. Co-op leaders gave praise to the work of existing co-operative developers – namely, Co-operatives First; however, they also emphasized that most provinces do not have access to that type of support.

According to leaders, the need is three-fold: first, Canada needs more co-op developers across the country; second, there is not only a need to incubate new co-operatives, but also a significant need for resources and supports to help the growth of existing ones; finally, additional funding to support these efforts would help to address the overall challenge.

Respondents further connected this challenge the lack of awareness of the co-operative model. One respondent explained that it is difficult to opt for a co-operative model when interacting with small business centres or applying for a government-sponsored business development program. The lack of awareness and misconceptions about the program can lead to a lack of access to business support and funding to develop the co-operative.

## **9. Other Issues**

Survey respondents identified a few other issues of concern. These included:

- **Increased research on co-operatives –** Co-operative leaders are interested in leveraging the use of scientific research to support the efficacy and importance of the co-operative model, which can be used in advocacy efforts to government and lenders. However, they also state that more robust research on the model, including what works and what doesn't, as well as more funding for co-operative research, would be helpful.
- **Retaining competitiveness –** Respondents pointed to an increasingly challenging competitive environment and pondered how the co-operative

governance model could be modernized to be more efficient and for co-operatives to be more economically competitive with their IOF counterparts.

- **Ensuring sustainable production and consumption** – co-operatives can distinguish themselves and lead the way in the shift towards leading in the circular economy and operating sustainably and in harmony with nature.
- **Evolving role of federations** – the complexity of business along with increasing costs is forcing co-ops to rethink how to best invest in federations and what roles federations should, in turn, play.

## APPENDIX A: A SELECTION OF RESPONDENT QUOTES ON THE SURVEY THEMES

### 1. Improving Awareness

“The co-op model, specifically in sectors outside of agriculture, housing and grocery retail is mostly unknown. There is a general lack of education on the co-op as a viable business model and most media mentions only highlight co-operative failures, which presents added challenges with co-op PR. The responsibility of educating and sharing co-op success with the public, post-secondary institutions, and the government falls to the co-op's themselves and can rarely reach top priority as co-op members are primarily focused (energy, resources, and money) on inward efforts. It takes considerable effort, resources and funds to promote the co-op model to those outside of the co-op ecosystem and it's becoming increasingly difficult to allocate resources to this work as the "member benefit" is largely unseen (long game vs. short game).”

“The challenge of improving awareness about the relevance of the co-operative model lies in the general public's limited understanding of co-operatives, their benefits, and how they differ from traditional business models. Many people are unfamiliar with co-operatives, especially younger generations, and may not see their value in today's economy. This becomes a challenge because without broad understanding and support, co-operatives may struggle to attract new members, influence government policy, or secure the necessary resources for growth. Additionally, misconceptions about the co-operative model can hinder its recognition as a viable alternative to conventional business structures.”

“It is clear that young Canadians want to work and shop at places that match their values. But there is a disconnect with their knowledge and understanding of the co-operative model and the opportunities to align with their personal values.”

“The co-op business model is not being addressed sufficiently at any level of education. Business development professionals are not required to have any knowledge about the application of the co-op model or the development process. Government officials, grant managers and policy makers are not aware of the relevance and impact of co-ops. These gaps in knowledge that begin in the education system translate into a broad and profound lack of recognition of co-ops as a viable business option, a significant lack of support for co-ops when it comes to funding, business and economic development and policy-making.”

“Cooperatives are uniquely aligned with the social values of youth and those of most Saskatchewanians i.e. local investment in our communities, driving member value as opposed to shareholder value etc.; however, we have not been able to effectively differentiate ourselves from the charters. Although value alignment is important for consumers, the ability to deliver on their needs and expectations for financial services is primary, i.e. digital experience on par with competitors etc.”

### 2. Access to capital

“We currently do not have a big challenge with capital however, our only source of capital is net profits, and it is becoming challenging to earn enough ROE to keep capital levels strong.”

“The increasing development and costs of technology are challenging credit unions in their ability to keep pace with shifting consumer demand for more functionality, greater access to self-serve transactions and greater protection and security of their money (i.e. protection against cyber security fraud and loss of personal information) i.e. digital service delivery. In addition, increased costs of regulation and protection from cyber security and fraud prevention along with increased competition is putting tremendous pressure on credit union



margins and efficiency ratios. Credit Unions must improve productivity while managing costs - a leaner cost structure is required while still maintain the cooperative difference - delicate balance to achieve.”

“Specifically speaking to federal funding programs like CHDP, the funding is great as it provides financing needed to build rental housing co-ops. However, there are many obstacles that groups, especially start-up housing groups, have to overcome when applying. As for Financial Institutions, they're financing isn't as flexible in their reporting, requirements, and application criteria that can assist with co-ops to access needed financing for capital. FI's aren't always versed in understanding co-ops as a structure so I feel groups struggle to try and apply for the financing they need, especially start-ups.”

“Pour la majorité des bailleurs de fonds, le fonctionnement du modèle coopératif est inconnu. Trop souvent assimilé à un OBNL. Même la BDC ne reconnaît pas le modèle coopératif comme une entreprise rentable. Le Fonds Canadien d'Investissement Coopératif existe, mais ne sert à rien, il est mal connu, très peu utilisé et ses gestionnaires sont très frileux à l'idée d'investir...”

“Coops are constrained in their ability to raise capital due to a lack of understanding of cooperatives and by lending policy requirements that do not fit the cooperative model (i.e. personal guarantees). Additionally, there is a lack of patient risk capital that is targeted to early stage coops.”

### **3. Developing strong co-op leaders**

“The Co-operative Retailing System is continually facing the aging out of management, and is now starting to face the aging out of its leaders. Post-secondary education provides little if any education on the co-operative model, and goes a great job of producing graduates that understand the private stock for-profit model. This presents

the Co-operative Retailing System with the challenges of: - the risk of importing leaders from outside the CRS, leaders who do not understand the co-operative business model or the role and value of the CRS when it works together - the need for cross-retail mentoring programs to help develop the next generation of managers and leaders from within the CRS - supporting university and other post-secondary institution's co-op program students with placements with retail co-ops - this needs to be prioritized over having co-op students doing their terms with FCL”

“We don't pay enough attention or invest enough in succession and the risk of losing young leaders because they do not feel empowered or like they belong in our organizations.”

“Parce qu'il existe peu de formation et de programme d'éducation (universitaire) qui permettent aux gestionnaires et aux dirigeants de prendre conscience de la différence coop et de leur rôles respectifs.”

“Having leadership with a strong understanding of the cooperative structure allows for better advocacy efforts and ensures initiatives and new ventures are implemented in a way that supports innovation but doesn't erode the spirit of the cooperative structure. For example, credit unions refer to social financing as non-traditional lending when in actuality credit unions were established on the principles of finding innovative lending solutions to fill gaps that otherwise didn't exist (so I actually refer to it as the actual traditional lending solution!). It's a huge challenge to implement social finance for many regulatory reasons. Developing strong cooperative leaders in all sectors and government would better enable the sector and partners to implement solutions through their existing tools and resources.”

“Co-operatives appear to have managers in key roles, as opposed to Leaders. There is a considerable difference between a manager and a leader. Leaders are visionary in nature, while managers seek to maintain the status quo. There are far fewer leaders in the world than managers, thus the challenge.”

#### **4. Co-op Governance**

“Educating co-op members on the responsibilities of co-ownership is a recurring challenge. Depending on the type of co-op, many members engage in a primarily transactional capacity (sell their goods, earn income, etc.) and many are not interested in fulfilling their role as an active co-op members (participating in business decisions, applying to become a board member, attending AGM). Member engagement decreases over time as a co-op matures and it becomes increasingly difficult to re-engage inactive members. Removing members for inactivity is challenging depending on the provisions set forth in the co-op's Rules/Bylaws and changing these Rules/Bylaws is a cumbersome task. Current co-op legislation also further restricts the modernization of the model. eg. platform co-ops with international memberships are restricted in location of their board members - how can a co-op accurately represent their international membership when they are legislated to have a Canadian-dominant board? These restrictions further limit co-ops capacities for international growth and expansion of their DEIB efforts.”

“It is constantly ensuring that the Board has the requisite skills, knowledge and confidence to fulfil their roles and protect the co-op identity for future generations. To challenge management and be aware when needed to be more people and community focused than solely focus on profitability. To achieve the right balance between people, planet and profits.”

“Directors not understanding what is unique about the co-operatives/credit unions and leading with an opaque sense of what should be the priorities (or defaulting to profit-driven without nuance)”

“Some of our cooperatives and credit unions are becoming VERY large, complex and carry significant risks. These cooperatives cannot be governed by a laymen or volunteer boards. These board need to be competency based with significant experience. Running a refinery or a multi billion dollar credit union should not be left to a popularity contest.”

“Cooperative directors are found within the membership. Perhaps in some cases there is a lack of professional directors so Ensuring our directors are well equipped and have development opportunities.”

#### **5. Nurturing Cooperation amongst Co-operatives**

“Similar to my previous answer cooperative leaders are making decisions based solely on the impact to their operation without thinking about the overall system. I think change in our system is needed by forging ahead on our own isn't necessarily the right change.”

“Les coopératives travaillent sur la base de secteur d'activité économique ou en silo. L'intercoopération favorise le développement coopératif et la résilience des organisations.”

“Larger Co-op's tend to benefit from being a part of the co-operative. Smaller co-operatives are usually discriminated against when it comes to capital investment. They expect smaller co-operatives to contribute to the Co-operative, but when they require something from them, larger co-operatives are always favoured over the smaller ones.”



“In most co-operatives, those who manage the entity's procurement activities have not been asked to look for opportunities to do business with other co-operatives or to favour co-operatives in any way. As for joining and participating in co-operative federations, too many co-operatives look for immediate benefits to themselves from belonging, rather than focusing on building a co-operative movement.”

“Les coopératives partagent peu de leurs données entre elles. Il est donc difficile pour les coopératives de mettre en place des processus de collaboration efficaces. Elles ont ainsi tendance à mieux collaborer avec des entreprises capitalistes capables de mettre en place des infrastructures d'échange de données, telles qu'Amazon.”

“What was considered a strategic strength, our ability to collaborate and deliver value to all credit unions, is at risk as credit unions get larger and are willing to go it alone in the open market. This willingness to go it alone is driven by a desire to move quickly and in response to recent attempts to collaborate nationally that have fallen apart - these incidents has contributed to less trust within the system.”

## **6. Policy Changes that do not account for co-operatives**

“Policymakers that do not understand the co-op model cannot effectively create or amend policies that are inclusive of co-ops. Co-ops are often excluded in funding initiatives or government programs, and often policies or legislation is introduced that don't take into account the unique structure of the co-op model and can create significant barriers to operation, member service or growth for co-ops.”

“Our Saskatchewan regulator CUDGC just blindly follows the lead of OSFI which regulates federally registered financial institutions. One size does not fit all. Just because something is rolled out for the mega-banks does not mean it is applicable to

smaller credit unions. Small credit unions need a carve-out from some of these onerous requirements.”

“It often feels like policies are developed without a reasonable lens applied “for the consideration of cooperatives. For example when the federal government announced the carbon credit payment eligibility for small businesses, cooperatives were deemed ineligible due to their structure. A reasonable lens would've considered the size of the cooperative and allowed the smaller ones to be eligible given they face similar challenges to small businesses.”

“A good example of this is the GOA's involvement in setting energy rates. The new Rate of Last Resort regulation has not taken co-operatives in mind at all and they are unwilling to make any changes to accommodate co-operatives.”

“Lack of awareness among some policy makers; co-ops could be great partners in accomplishing policy goals but are sometimes overlooked; too much time wasted advocating because of the lack of awareness.”

## **7. Ensuring that management practices are adapted to co-operatives**

“The challenge of ensuring that management practices are adapted to co-operatives arises from the unique governance and operational structure of co-ops, which prioritize member ownership and democratic decision-making over profit maximization. Traditional management practices often focus on top-down control and shareholder interests, which can conflict with co-operative values like member participation, social responsibility, and consensus-building. Adapting management practices to align with these principles requires a shift in leadership style, decision-making processes, and organizational culture, which can be difficult for managers accustomed to conventional business models. This challenge is compounded by the need to balance operational efficiency with the

co-op's social and ethical goals, requiring a deep understanding of the co-operative model and ongoing training for management teams.”

“The great majority of co-operative managers are schooled not in co-operatives but in either business management or a discipline relevant to their specific professional role e.g., accounting. They do not ask themselves in what way the co-operative is different from other enterprise forms and what that might imply for how the co-operative should be governed, managed and operated.”

“The influx of new leaders as co-ops evolve and grow has increased in recent years and without embedding co-op management best practices (and making the case for it) will pose a threat to the co-op model. More research, case studies, and robust management practices within co-ops will strengthen the co-op model, not just a model that new leaders pay lip service to.”

“Business schools are still inclined to act as if there is only one (corporate) model despite the size of the co-op, credit union sector as well as non-profits, small, medium, and family businesses. So it is all too easy for managers to revert to what they have been taught as natural facts!”

“Over the past four decades, Boards of Directors and H/R professionals have chosen to hire ex-bankers rather than develop their own talent from within the credit union system. This has resulted in a loss of co-operative values within the system as ex-bankers tend to run credit unions like small banks. Again, the failure to develop our own people from within has resulted in being forced into hiring external people outside the system that do not hold our values.”

## **8. Co-operative Development**

“While Saskatchewan has Cooperative First, most other provinces do not, access to information and

support is lacking to encourage co-op business model”

“The challenge of co-operative development involves creating and nurturing new co-operatives, as well as supporting the growth of existing ones. This can be challenging due to factors like limited access to capital, a lack of awareness or understanding of the co-operative model, and difficulties in attracting new members or leadership. Additionally, navigating legal, regulatory, and financial frameworks specific to co-operatives can be complex. This challenge is significant because successful co-operative development requires long-term commitment, education, and resources, which may be scarce or hard to secure, especially in a competitive or unfamiliar market”

“Mondragon and Emilia Romana and - here in Canada - Quebec are strong coop incubators. Question is: what are they doing right that the rest of us are doing wrong? Coops are a natural fit with circular economies. Need a strong COOP MINISTER to align need with capacity.”

“Small business developers are not required to have any knowledge about the co-op model, which means if you go to a small business center or apply for a government sponsored business development program, it is very difficult to opt for the co-op model. This, coupled with the fact that many co-op start-ups need to pay out-of-pocket for co-op development services creates unique challenges for emerging co-ops. Misconceptions and lack of knowledge about the co-op model, lack of access to business development support and lack of funding all contribute to significant barriers around co-op development.”

“There are not enough trained developers across the country. In many regions there is not the flow of work to keep a development form/person gainfully employed.”

## Other themes

“politicians and lenders do not understand cooperative, hence it is difficult to leverage advocacy efforts. research could back up and prove to those sectors the importance of cooperatives.”

“In our time, we must seek a just transition to sustainable production and consumption. Co-ops have an opportunity to distinguish themselves by leading this transition in a manner supporting human liberation and solidarity with the rest of nature.”

“Evolving and making coop Gov models more modern and sophisticated to ensure competitiveness with other non-coop partners”

“La gouvernance des fédérations de coopératives est peu apte à répondre au besoin d'innovation des entreprises de premier niveau. Cela crée une barrière à l'innovation et au développement des coopératives”

## APPENDIX B: 2024 TOP CO-OP ISSUES SURVEY

For the last eight years, the Canadian Centre for the Study of Co-operatives (a research centre sponsored by Canadian co-operatives and the University of Saskatchewan) has asked members of the co-operative sector across Canada “What are the top issues facing co-operatives in Canada today?”. Results from last year’s survey can be found here: [https://usaskstudies.coop/documents/pdfs/ccsc\\_top-co-op-issues-2023.pdf](https://usaskstudies.coop/documents/pdfs/ccsc_top-co-op-issues-2023.pdf)

It is now time to understand how the challenges facing the co-operative sector in 2024 may be changing. The survey is available in English and French. You can change the language on the survey using the language button located on the top righthand corner of the survey.

Rest assured, your responses will be kept anonymous. Our report, anticipated this winter, will be informed by analysis of the aggregated

response. Finally, please note that the University of Saskatchewan Behavioural Research Ethics Board (Beh-REB) has examined and approved this study (BEH#: 2269).

Many thanks for your prompt attention to this survey!

Sincerely,

Marc-André Pigeon, Director and Strategic Research Fellow Canadian Centre for the Study of Co-operatives

University of Saskatchewan  
<http://usaskstudies.coop>

1. How many people does your organization employ? *If you don't work for a co-operative, simply put "not applicable" in the textbox below.*
2. What is your position within your organization? \*Please select all that apply\*
  - ☐ Member of the Board of Directors
  - ☐ Management
  - ☐ Co-operative Developer
  - ☐ Academic
  - ☐ Other, please specify: \_\_\_\_\_
3. Where is your organization headquartered? *If you are self-employed, where are you based out of?*
  - ☐ Alberta
  - ☐ British Columbia
  - ☐ Manitoba
  - ☐ New Brunswick
  - ☐ Newfoundland and Labrador
  - ☐ Northwest Territories
  - ☐ Nova Scotia
  - ☐ Nunavut
  - ☐ Ontario
  - ☐ Prince Edward Island
  - ☐ Quebec
  - ☐ Saskatchewan
  - ☐ Yukon

- Outside of Canada
4. What, in your view, is the most important challenge uniquely facing co-operatives in Canada today? Please make your selection from the following list:
- Improving awareness about the relevance of co-operative model with the general public, members, youth, government, and other stakeholders
  - Co-operative governance
  - Co-operative development
  - Policy changes that do not account for co-operatives
  - Developing strong co-operative leaders
  - Ensuring that management practices are adapted to co-operatives
  - Nurturing cooperation among co-operatives
  - Access to capital / financing (for growth, technological spending and other)
  - Research on co-operatives
  - Other (please specify)
    - i. Please enter a comment
5. What, in your view, is the second most important challenge uniquely facing co-operatives in Canada today? Please make your selection from the following list:
- Improving awareness about the relevance of co-operative model with the general public, members, youth, government, and other stakeholders
  - Co-operative governance
  - Co-operative development
  - Policy changes that do not account for co-operatives
  - Developing strong co-operative leaders
  - Ensuring that management practices are adapted to co-operatives
  - Nurturing cooperation among co-operatives
  - Access to capital / financing (for growth, technological spending and other)
  - Research on co-operatives
  - Other (please specify)
    - i. Please enter a comment
6. What, in your view, is the third most important challenge uniquely facing co-operatives in Canada today? Please make your selection from the following list:
- Improving awareness about the relevance of co-operative model with the general public, members, youth, government, and other stakeholders
  - Co-operative governance
  - Co-operative development
  - Policy changes that do not account for co-operatives
  - Developing strong co-operative leaders
  - Ensuring that management practices are adapted to co-operatives
  - Nurturing cooperation among co-operatives
  - Access to capital / financing (for growth, technological spending and other)
  - Research on co-operatives
  - Other (please specify)
    - i. Please enter a comment
7. You selected *Improving awareness about the relevance of co-operative model with*

*the general public, members, youth, government and other stakeholders* as a top challenge, what is the nature of this challenge and why is it a challenge?

8. You selected *co-operative governance* as a top challenge, what is the nature of this challenge and why is it a challenge?
9. You selected *co-operative development* as a top challenge, what is the nature of this challenge and why is it a challenge?
10. You selected *policy changes that do not account for co-operatives* as a top challenge, what is the nature of this challenge and why is it a challenge?
11. You selected *developing strong co-operative leaders* as a top challenge, what is the nature of this challenge and why is it a challenge?
12. You selected *ensuring that management practices are adapted to co-operatives* as a top challenge, what is the nature of this challenge and why is it a challenge?
13. You selected *nurturing cooperation among co-operatives* as a top challenge, what is the nature of this challenge and why is it a challenge?
14. You selected *access to capital / financing (for growth, technological spending and other)* as a top challenge, what is the nature of this challenge and why is it a challenge?
15. You selected *research on co-operatives* as a top challenge, what is the nature of this challenge and why is it a challenge?
16. You selected the *other* option as a top challenge, please elaborate on the nature of this challenge and why is it a challenge.

This is the end of the 2024 Top Co-op Issues Survey. If you have any additional thoughts or comments that you would like to share with us, please leave them below.

Au cours des huitième dernières années, le Centre Canadien d'Etude des coopératives (un centre de recherche parrainé par les coopératives canadiennes et l'Université de la Saskatchewan) a sollicité des membres du secteur coopératif à travers le Canada sur les principaux problèmes auxquels les coopératives au Canada font face aujourd'hui. Les résultats du sondage de l'année dernière peuvent être consultés ici: [https://usaskstudies.coop/documents/pdfs/ccsc\\_top-co-opissues-2023.pdf](https://usaskstudies.coop/documents/pdfs/ccsc_top-co-opissues-2023.pdf)

Il est temps maintenant de comprendre comment les défis auxquels le secteur coopératif est confronté en 2024 peuvent évoluer.

Il s'agit, comme toujours, d'une demande personnelle que nous adressons aux PDG, présidents de conseils d'administration et autres leaders et observateurs de coopératives canadiens. Nous garantissons que vos réponses resteront anonymes afin de produire une liste agrégée des principaux problèmes auxquels sont actuellement confrontées les coopératives, tels qu'ils sont vus par les organisations et les acteurs du secteur. Nous partagerons les résultats avec la communauté coopérative canadienne et nous utiliserons vos réponses pour guider nos futures recherches. Le comité d'éthique de la recherche comportementale de l'Université de la Saskatchewan (Beh-REB) a examiné et approuvé cette étude (BEH #: 2269).

Merci beaucoup de votre attention immédiate à cette enquête!

Cordialement,

Marc-André Pigeon, Directeur et chercheur associé stratégique

Centre Canadien d'Etude des Coopératives  
L'Université de la Saskatchewan  
<https://usaskstudies.coop>

1. Combien de personnes votre organisation emploie-t-elle? Si vous ne travaillez pas au sein d'une coopérative, inscrivez simplement « Ne s'applique pas » dans la zone de texte ci-dessous.

2. Où se situe le siège de votre organisation? Si vous êtes indépendant, où êtes-vous basé?

- Colombie-Britannique
- Manitoba
- Nouveau-Brunswick
- Terre-Neuve-et-Labrador
- Territoires du Nord-Ouest
- Nouvelle-Écosse
- Nunavut
- Ontario
- Île-du-Prince-Édouard
- Québec
- Saskatchewan
- Yukon
- À l'extérieur du Canada

3. Quelle est votre poste au sein de votre organisation ? \*Veuillez sélectionner tout ceux qui s'appliquent\* \*

- Membre du conseil d'administration
- Gestionnaire
- Consultant dans la création de nouvelle coopératives
- Professeur / universitaire
- Autre, svp indiquer : \_\_\_\_\_

4. Selon vous, quel est le défi le plus important auquel sont confrontées les coopératives au Canada aujourd'hui? Veuillez faire votre choix de la liste suivante (Veuillez choisir une seule réponse):

- Améliorer la sensibilisation à la pertinence du modèle coopératif auprès du grand public, des membres, des jeunes, du gouvernement et d'autres parties prenantes
- La gouvernance coopérative
- Le développement coopératif

- Des changements de politique qui ne tiennent pas compte des coopératives
- Développer de solides leaders coopératifs
- S'assurer que les pratiques de gestion sont adaptées aux coopératives
- Favoriser la coopération entre les coopératives
- L'accès au capital / financement (pour la croissance, les dépenses technologiques et autres)
- La recherche sur les coopératives
- Autre (veuillez préciser). Veuillez insérer un commentaire

5. Selon vous, quel est le deuxième défi le plus important auquel sont confrontées les coopératives au Canada aujourd'hui? Veuillez faire votre choix de la liste suivante :  
Améliorer la sensibilisation à la pertinence du modèle coopératif auprès du grand public, des membres, des jeunes, du gouvernement et d'autres parties prenantes

- La gouvernance coopérative
- Le développement coopératif
- Des changements de politique qui ne tiennent pas compte des coopératives
- Développer de solides leaders coopératifs
- S'assurer que les pratiques de gestion sont adaptées aux coopératives
- Favoriser la coopération entre les coopératives
- L'accès au capital / financement (pour la croissance, les dépenses technologiques et autres)
- La recherche sur les coopératives
- Autre (veuillez préciser). Veuillez insérer un commentaire

6. Selon vous, quel est le troisième défi le plus important auquel sont confrontées les coopératives au Canada aujourd'hui? Veuillez faire votre choix de la liste suivante :



- Améliorer la sensibilisation à la pertinence du modèle coopératif auprès du grand public, des membres, des jeunes, du gouvernement et d'autres parties prenantes
- La gouvernance coopérative
- Le développement coopératif
- Des changements de politique qui ne tiennent pas compte des coopératives
- Développer de solides leaders coopératifs
- S'assurer que les pratiques de gestion sont adaptées aux coopératives
- Favoriser la coopération entre les coopératives
- L'accès au capital / financement (pour la croissance, les dépenses technologiques et autres)
- La recherche sur les coopératives
- Autre (veuillez préciser). Veuillez insérer un commentaire

7. Vous avez choisi « améliorer la sensibilisation à la pertinence du modèle coopératif auprès du grand public, des membres, des jeunes, du gouvernement et d'autres parties prenantes » comme un défi majeur. Quelle est la nature de ce défi?

8. Vous avez choisi « la gouvernance coopérative » comme un défi majeur, quelle est la nature de ce défi et pourquoi est-ce un défi?

9. Vous avez choisi « le développement coopératif » comme un défi majeur. Quelle est la nature de ce défi?

10. Vous avez choisi « des changements de politique qui ne tiennent pas compte des coopératives » comme un défi majeur. Quelle est la nature de ce défi?

11. Vous avez choisi « développer de solides leaders coopératifs » comme un défi majeur. Quelle est la nature de ce défi?

12. Vous avez choisi « s'assurer que les pratiques de gestion sont adaptées aux coopératives » comme un défi majeur. Quelle est la nature de ce défi?

13. Vous avez choisi « favoriser la coopération entre les coopératives » comme un défi majeur. Quelle est la nature de ce défi?

14. Vous avez choisi « l'accès au capital / financement (pour la croissance, les dépenses technologiques et autres) » comme un défi majeur, Quelle est la nature de ce défi?

15. Vous avez choisi « la recherche sur les coopératives » comme un défi majeur. Quelle est la nature de ce défi?

16. Vous avez choisi « autre » comme un défi majeur. Veuillez préciser la nature de ce défi.

17. Ceci est la fin du sondage sur les principaux problèmes liés aux coopératives durant l'année 2024. Si vous avez des idées ou des commentaires supplémentaires que vous aimeriez partager avec nous, veuillez les noter ci-dessous.

## ABOUT THE CANADIAN CENTRE FOR THE STUDY OF CO-OPERATIVES

The Canadian Centre for the Study of Co-operatives (CCSC) is an interdisciplinary research and teaching centre located on the University of Saskatchewan campus. Established in 1984, the CCSC is supported financially by major co-operatives and credit unions from across Canada and the University of Saskatchewan (USask). Our goal is to provide practitioners and policymakers with information and conceptual tools to understand co-operatives and to develop them as solutions to the complex challenges facing

communities worldwide. We are formally affiliated with the Johnson Shoyama Graduate School of Public Policy at the University of Saskatchewan and the University of Regina. The connection strengthens the capacity of everyone involved to develop research and new course offerings dedicated to solving social and economic problems. Our most recent collaborative work has resulted in a new Graduate Certificate in the Social Economy, Co-operatives, and Nonprofit Sector.

## OUR FUNDERS

The CCSC and USask acknowledge with gratitude the support and commitment of our funders. These organizations provide the CCSC with resources and leadership, helping us to develop the knowledge needed to construct co-operative solutions to the increasingly complex challenges

facing global communities. Since the CCSC opened its doors in 1984, our co-op and credit union sector partners have contributed nearly \$12 million to co-operative teaching, research, and outreach.

## PROUDLY SUPPORTED BY







Canadian Centre for the Study of Co-operatives  
101 Diefenbaker Place  
University of Saskatchewan  
Saskatoon SK Canada S7N 5B8  
Treaty 6 Territory and Homeland of the Métis  
t: (306) 966-8509  
e: [coop.studies@usask.ca](mailto:coop.studies@usask.ca)  
w: <http://www.usaskstudies.coop>