

## Accountability Report

### Report to Members on 3-year Strategic Plan, Nov. 2014–Nov. 2017

Submitted by Hazel Corcoran, November, 2017

**CWCF Vision:** To be a growing, cohesive network of democratically controlled worker co-ops that provide a high quality of worklife, and support the development of healthy, just and sustainable local economies, based on co-operative values and principles.

#### STATE OF THE MOVEMENT:

#### ANALYZING THE RESULTS OF THE 2014 – 2017 CWCF STRATEGIC PLAN

At our Wolfville, Nova Scotia AGM in 2014, CWCF set itself an ambitious Strategic Plan, which ends at the 2017 AGM in Gatineau, Quebec. We have set ourselves a huge mandate, though still with very small resources. We are committed to the Vision, Mission and Values of the worker co-op movement, and continue to believe that *tenacity works*.

What we have achieved, which is substantial, is to maintain a small, dynamic Federation which is sustainable, and we've made a difference to many worker co-ops.

However, what we seek to achieve in the big Vision is to grow this movement to have a noticeable impact on the economy; to empower significant numbers of working people to find social transformation through democracy in their workplaces.

We know what is required of an eco-system needed to build a large, dynamic worker co-op movement. The key elements needed in such an eco-system are: (1) promotion of the worker co-op alternative, (2) technical assistance by qualified worker co-op developers, (3) worker coop-friendly capital, and lastly (4) after-care for worker co-ops, once launched. Arguably, special treatment of indivisible reserves is required. We know that Quebec has more of these elements than the rest of Canada (though still not all that's needed); and Quebec continues to have 2/3rds of the worker co-ops in the country.

We have parts of this eco-system in place across Canada, but they have not been sufficiently resourced in the course of this 3-year Plan, or not in a serious way. We continue to believe that in the current Canadian context, the best option for the resourcing of such an eco-system is government, most effectively the federal government but potentially also various provinces and municipalities. Foundations can also be a source of support, although we have yet to see much success there.

One key accomplishment (though not only CWCF's, of course) at the end of this Strategic Plan is that CWCF's strong support, over many years, of a coop sector-created Canadian Co-operative Investment Fund ("CCIF") has finally come to fruition.

At the same time, we have continued to carry out government relations work, and made a proposal to a Foundation, to try to obtain other elements of that eco-system, beyond capital. We know from studies done by our international worker co-operative federation, CICOPA, that the worker co-op movement is the fastest growing part of the co-operative movement, world-wide, though not yet in Canada.

In sum, *we continue to work in solidarity with our members to achieve our Vision of a Co-operative Economy*. We have appreciated being on this journey with our members, and look forward to its continuation in our new Strategic Plan.

## I. TO WORK IN SOLIDARITY WITH OUR MEMBERS TO ACHIEVE OUR VISION OF A CO-OPERATIVE ECONOMY

### 1.1 Meaningfully engage members in CWCF.

1. **Offer regular tele-learning sessions on topics with a high level of interest for members.** *We offered a few webinars in the early part of the 3-year period, and more in the last year. Subjects covered include: Co-op RRSP's, Investment Shares, Ask a Lawyer, Co-op Guard Group Benefits, WC's 101 (in 2 parts), How Learning from Co-op Failure Leads to Co-op Success, and Understanding Financial Reporting; click [here](#) for available reports. We've also publicized to our members Co-operationWorks' webinar on Achieving True Accountability in Your Team. Upcoming topics will be on Good Governance, and Conflict Resolution, insurance, etc.*

2. **Develop a peer support system for worker co-ops including the creation of listservs and other strategies.** – *We developed listservs, but members did not use them. We are hosting more meetings with WC's, including each spring in conjunction with the spring board meeting. In addition, we (especially the President, Executive Director and Communications Manager) met on various occasions with members, either one-on-one or in groups of members. This approach, and interactive webinars seem to work better; we are exploring other avenues such as Slack and different approaches for peer support suggested by members in the recent Strategic Plan's consultations.*

3. **Deliver excellent annual conferences with a high level of attendance by members.** *The conferences in 2015 and 2016 have been highly rated, and by all accounts the 2017 conference will go very well. The 2016 Conference marked the 25th anniversary of CWCF, and there were special celebrations to mark this milestone. In each of 2015 and 2016, we have had attendance in the 65-70 participant range. In 2017 it will be similar to this again. In each of Montreal (2015) and Vancouver (2016), there was a significant local population on which to draw. That may be less the case in Ottawa. However, the larger number of subsidies, plus option to stay in a nearby hostel, this year have allowed more members from further away to attend.*

4. **Undertake an annual member survey.** *A survey was done in 2014, then tours to meet members and other worker co-ops were held in 2015 in lieu of a survey. Again in late 2016 – early 2017, a survey was developed and conducted. Although more expensive and time-intensive, it is, of course, better for building member engagement to meet in person with members than to conduct surveys, whenever possible. Our members have serious time pressure in general, and it is challenging*

to get survey responses. However, in each case – in –person (or telephone) meetings, and surveys, the Federation has gathered valuable input which enhances member engagement, builds relationships and assists the Federation in getting greater clarity on what its members need.

## **1.2 Provide information on best practices on governance and management.**

**1. Redesign the CWCF web site and include a members' only section.** – *Although we opted not to add a members' only section, we did redesign the CWCF website, early in the 3-year period of this Strategic Plan. We now need to revamp the look and feel of the web site, update the photos, etc.*

**2. Improve the information available on the web site for members and the public.**– *We have done this, although more could certainly be done. It is helpful that we've been able to hire a part-time Executive Assistant who is very conversant with Wordpress.*

**3. Engage members and supporters on social media and with a dynamic newsletter.** – *We now have over 2,000 followers on Twitter, and 645 likes on Facebook. Our newsletter has a reasonably good open rate, and we have just updated the look and feel.*

**4. Partner with university research organisations to advance our understanding of worker co-ops.** – *We have sought to collaborate with Carleton (academic Adrian Smith sought research topics about worker co-ops, which we provided – on WC success stories, government partnerships to grow the movement, data collection, and impact of rural co-ops); we were interviewed for the research on worker co-ops in marginalized communities (by Princie Reza, Master's student at York University; recently completed); we presented at the orientation for the last two St. Mary's Masters' cohorts (Aug. 2016 & Aug. 2017) –Hazel Corcoran, Greg O'Neill, plus Eric Tusz-King in 2016.*

## **1.3 Offer indispensable services to members.**

**1. Provide access to capital.** – *The Tenacity Works (TW) Fund has had several loan applications, some of which were approved. In the period of the Strategic plan, a loan was placed in REV Language Co-op, Victoria; and another committed to the Grain Exchange, in Calgary – though it has not yet been placed as the co-op is not yet operational. Another application is being reviewed. In addition, three TW loans were paid off in full in the course of this Strategic plan: Boirec (Maniwaki, Que), Cedar Opportunities Café, and La Siembra (Ottawa). CWCF made a \$250,000 investment commitment to the Canadian Co-op Investment Fund (CCIF) which has just reached its investment target of \$25 million and will start to make investments in January, 2018. CWCF is working with CCIF management to help ensure that it will meet the needs of worker co-ops for co-operative capital.*

**2. Provide tools such as the Co-op Index to assist worker co-ops with governance and management.** – *The Co-op Index was revised and CWCF offers \$1,500 grants to hire a consultant to administer it, although there has not been take-up.*

**3. Provide access to Group insurance programs.** – *Information on this is available on our web site and has been featured in several newsletters. There have been presentations by The Co-operators at*

each Conference. We provided a webinar on the topic in Sept. 2016, with plans for another one primarily for RRSP Associate Members. We invited an advisor in Manitoba in April 2016 to the WC Meet & Greet, and at the one in Toronto in April 2017.

4. **Provide access to the RRSP program.** The program continues to grow, though primarily with co-ops other than worker co-ops since the 10% rule<sup>1</sup> means only larger worker co-ops can use the program. We also added the capacity to hold shares in TFSA's, which so far is a very small program. We did a major overhaul of our RRSP Administration Manual and have continually improved our processes. We now have \$61.8 million under administration in both RRSP's (primarily) and TFSA's with over 3,300 contract holders.

5. **Provide new services as identified.** Since the start of our strategic plan, we have been offering more frequent webinars. We have also added the TFSA program.

## II. TO SUPPORT THE DEVELOPMENT OF NEW WORKER CO-OPS

### 2.1 Promote the worker co-operative model.

1. **Work with supportive media organizations** such as the Media Co-op, Axiom News, and Rabble to promote worker co-operatives. – We've been involved in stories by Axiom & also NewScoop, and co-op radio in Vancouver where our member Chris Nichols (of Wood Shop Co-op) has given a monthly interview for some time, with input from the CWCF Executive Director. We have partnered with Rabble.ca as part of their In Cahoots program, to help amplify our work to Rabble's readership.

2. **Work with partners including trade unions, values-based business and associations, and educational co-operatives to promote the worker co-op option.** (A) CWCF has partnered closely with the **CoopZone Network of Co-operative Developers** over the years. CWCF has had a contract to provide support services to CoopZone. We've co-hosted Conferences and various webinars, and the delegate class related to CoopZone members has up to five votes at the CWCF AGM. (B) The **People-Centred Economy Group** invited CWCF to join in 2017. This is a CCEDNet-led group which includes a variety of social economy organizations, and it is a great space in which to promote the worker co-op option among similar models. (C) We were the lead partner among several in a proposal submitted to a Foundation. Entitled "**Scaling up Workplace Democracy in Canada**", this initiative would have focused in part on youth and indigenous people. Unfortunately, the Foundation turned it down. (D) We have sought to partner with the labour movement, though it's not advancing as quickly as we would wish. (E) CWCF's Communications Manager, Kaye Grant, was elected in 2017 to the Board of [CCEDNet](#), which though not on behalf of CWCF (but as part of her consulting practice), is still relevant for CWCF. (F) CWCF has informally partnered with the new [Co-operatives First](#) based in Saskatoon, focused on providing support to aboriginal and rural co-ops especially in Western Canada, to the benefit of worker co-operatives.

3. **Create and promote videos and success story articles about worker co-ops.** – We were part of the 150 Co-op Stories project of Co-operatives and Mutuals Canada which had us obtaining 15 coop-

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<sup>1</sup> The "10% rule" came into force with the federal budget in 2011; it is that a person who owns more than 10% of any class of co-op shares cannot hold any shares in that co-op in an RRSP.

related bios by members of our members; an inspiring set of stories! We have not made videos, however we have identified a some good, short video about worker co-ops: [Multicultural Health Brokers Co-op](#) of Edmonton, and the [Wood Shop Worker Co-op](#) of Vancouver.

## 2.2 Help fledgling worker co-ops grow.

1. **Continue to provide the Technical Assistance Program**, through both staff support and small grants to hire CoopZone developers and others. – *This has been done. In addition to providing staff support to many start-ups, we provided micro-grants to 10 co-ops over the past 3 years. We have recently increased the amount of the grants to \$1,500 each. In addition, we have upon request provided significant staff and consultant support to various member co-ops in need of this.*

2. **Provide loans to eligible worker co-ops through the Tenacity Works Fund.** – *Two loans were committed in the course of the strategic plan; one has been placed and the second should be placed. Others have been considered.*

3. **Participate in the Canadian Co-op Investment Fund (CCIF) and work to ensure that it meets the needs of worker co-ops.** – *CWCF made a \$250,000 investment commitment to the Canadian Co-op Investment Fund, which recently met its \$25 million target. Peter Hough, our “Financial Officer emeritus” participates on the Board on behalf of CWCF and was elected Vice Chair. The Fund will start placing investments in early 2018. Work is to be done on how the Fund will meet the needs of worker co-ops; CWCF staff has a good working relationship with CCIF management.*

4. **Explore creation of a mentorship program between successful and new worker co-ops.** – *This has not been done. However, we have prioritized the offer of the Worker Co-op Management Intensive Session at the 2017 Conference which will enable mentoring.*

5. **NEW: Within one year of launch of the Grain Exchange, CWCF will work with it to start an Association of similar co-ops** in keeping with the signed Statement of Intent. *(The requirement to do this is not yet in place, as the Grain Exchange hasn’t yet launched.)*

## 2.3 Advance the business conversion agenda.

1. **Seek resources for a program to facilitate business successions using worker co-ops.** – *CWCF developed a proposal on business successions on the basis of which it lobbied; more recently we have worked in collaboration with CMC to create a harmonized proposal. We are also adapting the proposal to submit to provincial governments which may be supportive.*

*In fall 2015, we signed a partnership agreement with the worker co-op Confederation in France, CG-SCOP, the world leader on business succession to worker co-ops. Through it, CG-SCOP is willing to share documentation and certain other resources with CWCF and its members. The first result of this is a web site developed, in French, by our Quebec regional member the Réseau COOP, <https://www.transfertcoop.com/>. CWCF has recently received a small grant from Vancity to enable translation and adaptation of this site for use in English.*

## III. TO STRENGTHEN THE FEDERATION, TO ANIMATE THE WORKER CO-OPERATIVE MOVEMENT

### 3.1 Enhance CWCF’s financial and human capacity

1. **Encourage existing worker co-operatives to join CWCF.** – *This has been done to some degree, notably in the 2015 worker co-op tour. However, it is made more challenging by the lack of information provided by provincial co-op registrars; it continues to require more attention, in the next Strategic Plan.*

2. **Increase Federation revenue by 10% / year, regional federation dues by 20% every year and member dues by 10% every year.** – *We met the target regarding Federation revenue and Regional Federation dues in every year of the Strategic Plan. However, due to the loss of a couple of large members and to a lesser degree, the new financial hardship provision for lessening dues, we have not met the target re: worker co-op member dues.*

3. **Build up /maintain CWCF's reserves to 1 year of core operating activities.** – *Done, and exceeded. The amount we have built up in reserves enables CWCF to handle the unpredictability of our total revenue each year.*

4. **Provide fair compensation to staff.** – *This is being done, within the capacity of our budget. In the course of this Strategic Plan, we added group benefits from The Co-operators. We have been able to modestly increase salaries.*

5. **Enhance CWCF governance.** – *We are improving the Board meeting processes. We have added an executive committee to provide a sounding board to the Executive Director in between board meetings.*

#### **IV. TO REPRESENT AND PROMOTE THE CANADIAN WORKER CO-OP MOVEMENT IN CANADA AND INTERNATIONALLY**

##### **4.1 Participate in regional, national and international cooperative organisations to advance CWCF's vision.**

1. **Participate actively in CMC, The Co-operators and Provincial Associations.** – *This is being done. CWCF is very well networked in the broader co-operative sector, with a board member at CMC (Stephanie Guico), a representative on the Board or delegate body of all Provincial Associations (PA's) in which we are eligible to participate (all anglophone PA's outside Quebec, and CWCF's regional federation members are all on the Board of the Quebec Association, Conseil québécois de la coopération et de la mutualité. In addition, CWCF participates in five of the regions of The Co-operators: Atlantic, Quebec, Ontario, Alberta and BC, and Hazel Corcoran is on its Board.*

2. **Liaise with regional federations and facilitate inter-regional dialog** amongst worker cooperatives and between regional organisations. – *We actively collaborate with Quebec federations. We facilitate dialog within regions among worker co-ops, at least at the annual regional caucus meetings and "meet-and-greets" being organized each spring.*

3. **Maintain and enhance the relationship with the US FWC and CICOPA-Americas.** – *We focus on US FWC. We were able to meet with some involved in CICOPA-Americas at the 2016 Quebec Summit. Recently Stephanie Guico (who speaks fluent Spanish) has agreed to accompany Hazel on the CICOPA-*

Americas conference calls which take place every couple of months. CICOPA-North America has been dormant for lack of resources.

4. **Ensure representation on the Executive Committee of CICOPA-World** and maintain effective communications between the EC member and the CWCF Board and CMC. – *Our Past President Alain Bridault continues to represent CWCF on the Executive Committee of CICOPA, and has been actively reporting to CWCF.*

5. **Participate in CICOPA/ICA meetings.** – *Past President Alain Bridault and Director Yuill Herbert participated in the 2015 in-person CICOPA meeting (South Africa) where they also presented. Both Director Tommy Allen and Stephanie Guico will participate in the CICOPA / ICA meetings in Malaysia in November 2017.*

#### 4.2 Advocate for a supportive policy environment for worker co-ops.

*During this 3-year Strategic Plan period, we have lobbied the federal government with a focus on 4 priorities: (1) to fund worker co-op development support and specifically a worker co-op business succession program, (2) to invest in the Canadian Co-op Investment Fund, (3) to reverse the 2011 changes to the RRSP rules to enable small co-ops to again use co-op RRSP's, and (4) to implement CWCF's [Climate Change Statement](#). More recently we've added: (5) to provide distinctive tax treatment to those worker co-ops which have an indivisible reserve.*

*CWCF intends to increase the amount of advocacy it does on these important issues in the next period, and also to work with various levels of government, not only federal. It would be ideal to involve members in this work and any members with interest in helping should contact the Executive Director.*

1. **Develop and review a public policy platform to strengthen worker co-ops and their development in targeted areas.** *CWCF has developed a set of positions presented to the federal government, as per above. These positions have most recently been submitted in our 2018 federal pre-budget submission, available on-line [here](#). CWCF has written a document on the history of its lobbying work, and its then-current priorities, [here](#). This was based on our prior research about what is needed to grow the worker co-op movement, by researching and reporting on those regions with the fastest growing, most successful movements (Mondragon, Spain; France; and Italy), available [here](#).*

2. **Engage in lobbying at various levels for legislation and programs to facilitate development of worker co-ops.** *We have done this work, as noted above, with support from our volunteer Government Relations Advisor, Alain Roy who has had 30 years of experience working in leadership in the Co-operatives Secretariat of the federal government before leaving the civil service. (Also note that in the new Strategic Plan, it will be a significant priority and will expand to multiple levels of government.)*

3. **Maintain relationships with elected officials and civil servants.** – *We have been quite active on this over the course of the Strategic Plan although not to the degree required. Through CMC, we have, however, been able to participate in various Parliamentary receptions on co-ops and meetings with MP's.*

4. **Coordinate with other like-minded organizations on our co-operative policy.** – *CWCF has collaborated with CMC and increasingly with the People-Centred Economy Group. These collaborations have given CWCF the opportunity to participate in various consultations on the proposed federal Social Innovation and Social Finance (SISF) Strategy. CWCF's submissions to the SISF Strategy have focused on the importance of including worker and social co-ops in any such Strategy, and on the priority of having a decentralized approach whereby existing funds like CCIF and Tenacity Works for example could receive monies, instead of a bureaucratic, centralized approach.*

5. **Seek to have the party platforms incorporate our policy positions.** – *We sought to get our policy positions into party platforms in the last election, with only modest success. We have good relationships with most of the federal parties, and are in a reasonable position to do this in the next federal election.*