



# **2018 Strategic Plan: Context and Analysis**

**by Rhythm Communications**

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### Executive Summary

The Canadian Worker Co-op Federation (CWCF) is in its twenty-seventh year, and is a relatively stable organization. Given the turbulence in the current economic, social, natural and political environments; however, stability is neither an audacious nor a sufficient goal for the CWCF. At the 2017 CWCF conference, members asked the Board and staff for a bold strategic plan, one that went beyond the status quo. As a federation of worker co-operatives (and effectively a confederation of Quebec-based federations), CWCF's success in the future will depend on the success of its members, and on CWCF's capacity to engage allies and partners in growing the movement.

The objectives for this strategic planning process included:

- Identify a multi-year strategic plan that will guide CWCF in growing the worker co-operative movement.
- Meaningfully engage staff, board, members and friends of CWCF.
- Build relationships with likely and unlikely allies.
- CWCF "is looking for innovative, effective ideas on finding resources to scale up the worker co-op movement, which should include adding staff resources to CWCF."

The 2018 strategic plan recommends that, in the short term (over the next two or three years), CWCF works with its co-op members to help them become stronger enterprises that demonstrate the social and economic impacts of workplace democracy. In this way, the model will speak for itself, and begin to spread more organically.

In the medium term (four to ten years), CWCF will need to build more awareness and partnerships with likely and unlikely allies to advance workplace democracy and employee ownership as one strategy in addressing pressing issues such as precarious work and wealth inequality. Through a targeted networking and engagement process, CWCF will be able to expand its reach, leverage its modest resources, and harness the support needed for workplace democracy and employee ownership to take hold in the Canadian economy. In the longer term (ten to twenty years), CWCF will need to work with its partners to harness the human motivation and resources required to transform significant swaths of industries into democratic workplaces that are owned by the employees.

CWCF's three Quebec worker co-op federation members' would like CWCF to help them strengthen their own federations through improved federal government relations, and providing a unified voice to the broader Canadian and international co-operative movements. The CWCF needs to meet its Quebec federation members where they are, and at the same time, it also needs to support its other worker co-op members in Quebec.

During the course of this strategic planning process (January to October 2018), the consultants have been in touch with over one hundred people, including board and staff members, strategic planning committee volunteers, key informants across Canada and the United States, Quebec Region Federations, and of course the CWCF member co-ops. We have shared documents, e-mails, phone calls, and we have used Loomio, a new on-line platform for discussion that was

developed by a worker co-operative. We also had the pleasure of having face-to-face meetings in Tatamagouche Nova Scotia with the board and the Executive Director of the Quebec Réseau<sup>1</sup>.

The **solidarity economy** has a coherent, community-based, international vision, based on co-operative principles and values. It deliberately reaches out to likely (co-ops and credit unions) and unlikely allies (including small businesses), and is very congruent with CWCF's vision, mission and values. CWCF can choose to become more involved with the solidarity economy movement, and regional co-ops can start working in their own communities with potential allies. It has the potential to be a co-ordinated, grassroots, movement-building strategy.

To make CWCF's strategic plan come to life, the organization will have to take some risks, negotiate new partnerships and find new sources of funding. And, like its own members, CWCF will need to exhibit organizational flexibility and entrepreneurship within the broad scope of its vision, mission, and values.

Given the turbulence of the global political, social, ecological, and economic environments, it is important for CWCF to keep its focus on the long term strategies it will follow to strengthen its role as a federation of Canadian worker co-ops, and its objectives of building awareness and scaling up employee owned, democratic enterprises. CWCF can use its heritage and foundation to negotiate alliances with others in the **solidarity economy**. This plan was written at a particular moment of time, and it is important to encourage ongoing strategic discussions and evolve and change the plan as appropriate.

From Wikipedia: A **solidarity economy** is based on efforts that seek to increase the [quality of life](#) of a region or community through local business and [not-for-profit](#) endeavors. It mainly consists of activities organized to address and transform exploitation under [capitalist](#) economics and the large-corporation, large-[shareholder](#)-dominated economy, and can include diverse activities.<sup>[1]</sup> For some, it refers to a set of strategies and a struggle aimed at the [abolition of capitalism](#) and the social relations that it supports and encourages; for others, it names strategies for "humanizing" the capitalist economy—seeking to supplement capitalist [globalization](#) with community-based "[social safety nets](#)".

The still-evolving term "solidarity economy" is an English translation of a concept formulated in Lima, Peru in 1997 (*economía solidaria*), in Quebec in 2001,<sup>[2]</sup> and in Brazil during the World Social Forum of 2001, and in Portuguese as "*economia solidária*".<sup>[3]</sup> It is also represented by the French "*économie solidaire*" and similar terms in several other languages. As such it is sometimes translated by other expressions such as "solidarity-based economy". [https://en.wikipedia.org/wiki/Solidarity\\_economy](https://en.wikipedia.org/wiki/Solidarity_economy); <https://www.solidarityeconomy.coop/>



<sup>1</sup> The CWCF Board had invited the ED's of each of the 3 Quebec Federations.



### Introduction

The strategies outlined in the 2018 plan have arisen from numerous discussions, and idea- and document-sharing over the course of the past eight months amongst CWCF board, staff and strategic planning committee members, English- and French-speaking worker co-op leaders in Quebec, the rest of Canada and the United States, social and community enterprise leaders, the consultants, and of course, CWCF member co-ops. In total, one hundred and two people were contacted during this strategic planning process and eighty people have been directly involved. Eight out of ten people we contacted took the time to share their thoughts and ideas regarding workplace democracy and employee ownership.

All of the people we have discussed these ideas with have been open, honest, thoughtful, reflective, and often passionate and inspiring. We would like to thank everyone for their input and particularly, the CWCF staff, board members and members of the strategic planning committee. From the consultants' point of view, conducting these member interviews has also given us pause for reflection. Overall, we are left with the impression or gut feeling that the CWCF is on the right track, and in order to grow Canada's worker co-op movement, it needs to find strong allies and effective ways to communicate how workplace democracy and employee ownership are key ingredients in moving forward as human societies. Like our broader (and threatened) democratic structures, workplace democracy will be required to face the daunting challenges of climate chaos and habitat destruction, inequality and precarious employment, and social cohesion and belonging.

### Objectives

These objectives were included in CWCF's request for proposals:

- Identify a multi-year strategic plan that will guide CWCF in growing the worker co-operative movement.
- Meaningfully engage staff, board, members and friends of CWCF.
- Build relationships with likely and unlikely allies.
- CWCF "is looking for innovative, effective ideas on finding resources to scale up the worker co-op movement, which should include adding staff resources to CWCF."

The CWCF's strategic planning request for proposals stated: "CWCF is seeking proposals to engage staff, board, members and friends in an innovative and stimulating process to develop a multi-year strategic plan." In addition to engaging these groups, we also interviewed potential allies and thought leaders outside of the co-operative movement.



### CWCF Vision, Mission and Values

Like most strategic plans, this one also starts with the vision, mission and values. In some cases, strategic planning processes revisit and rewrite these organizational pillars, but there was no need to do that in this case, as these statements continue to resonate with the membership. Everything in this report is coherent with the vision, mission and values, and congruent with the long term vision of a co-operative economy.

#### **Vision**

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

#### **Mission**

- To work in solidarity with our members to achieve our Vision of a Co-operative Economy;
- To support the development of new worker co-ops;
- To strengthen the Federation, to animate the worker co-operative movement; and
- To represent and promote the Canadian worker co-op movement in Canada and internationally.

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

To make this strategic plan happen, the organization will have to take some risks, negotiate new partnerships and find new sources of funding. And, like its own members, CWCF will need to exhibit organizational flexibility and entrepreneurship within the broad scope of its vision, mission, and values.

## The Context and Process

As we approach the beginning of the third decade in this century, human society is hitting an ecological wall, and the impacts of economic inequality, climate chaos and political upheaval are impacting all of our daily lives. It feels like a turning point in history. Progressive people need to work together to create, communicate and take action in making our workplaces, communities, and regions more aware and knowledgeable of the importance of democratic processes in meeting people's real needs for affordable housing, meaningful work, healthy food and cultural experiences. Co-operatives can play an important role in fulfilling these real needs and may have the opportunity to become a leading business model in this century.

This brings us to the Canadian Worker Co-op Federation. The organization is in its twenty-seventh year, and is relatively stable. However, given the turbulence in the current economic, social, natural and political environments, stability is neither an audacious nor a sufficient goal. As a federation of worker co-operatives (and effectively a confederation of Quebec-based federations), CWCF's success in the future will depend on the success of its members, and on CWCF's capacity to engage allies and partners in growing the movement.

In the short term (over the next two or three years), CWCF needs to work with its members to help them become stronger co-operative enterprises, so the model will speak for itself, and begin to spread more organically. In the medium and longer term, CWCF will need to build more awareness with likely and unlikely allies of how workplace democracy and employee ownership can help solve issues like precarious work and wealth inequality. Through a targeted networking and engagement process, CWCF will need to identify potential partners, and harness the human motivation and resources to transform significant swaths of industries into democratic workplaces that are owned by the employees.

### Precarious Work and Economic Inequality

Precarious employment—employment with uncertainty, insecurity, and a lack of worker control—has been growing more rapidly than all other employment since the 1980s (PEPSO 2013, pp.16-17). Low-paying precarious employment has grown twice as fast as non-precarious employment since 2001 (Institute for

### The BIGGER Picture



### The United Nations Sustainable Development Goals Report (June 20, 2018)

A fast-changing climate, conflict, inequality, persistent pockets of poverty and hunger and rapid urbanization are challenging countries' efforts to achieve the Sustainable Development Goals (SDGs), according to a UN report launched in New York today.

The Sustainable Development Goals Report 2018 found that conflict and climate change were major contributing factors leading to growing numbers of people facing hunger and forced displacement, as well as curtailing progress towards universal access to basic water and sanitation services.

For the first time in more than a decade, there are now approximately 38 million more hungry people in the world, rising from 777 million in 2015 to 815 million in 2016. According to the report, conflict is now one of the main drivers of food insecurity in 18 countries. In 2017, the world experienced the costliest North Atlantic hurricane season on record, driving the global economic losses attributed to the disasters to over \$300 billion.

At the same time, the Report found that more people are leading better lives than they were just a decade ago. The proportion of the world's workers living with their families on less than \$1.90 per person a day declined significantly over the past two decades, falling from 26.9 per cent in 2000 to 9.2 per cent in 2017.

<https://www.un.org/development/desa/publications/the-sustainable-development-goals-report-2018.html>

<https://sustainabledevelopment.un.org/?menu=1300>

Competitiveness and Prosperity 2013, p.19). Secure jobs, with benefits and a possible career path, are becoming harder to find for many types of workers. This is true for low-wage workers matched to jobs through temporary employment agencies (where many jobs are minimum-wage jobs), for higher-wage knowledge workers (where work is often short-term, project-based work), and for university and college professors (where more than half of all teaching is now done by contract faculty - The Precarity Penalty, 2015). While education has been widely recognized as a pathway to better-paying and more secure work, this has not been the case for a growing number of Canadians.

A detailed breakdown shows most of the growth in temp work in the past decade and a half has been among young people. Temporary positions are most prevalent in education, culture and the accommodation and food services sector. By province, most of the growth in temp work has been in British Columbia and Ontario.<sup>2</sup>

A joint study by McMaster University and the United Way in February 2016 found four in ten people in the Greater Toronto and Hamilton region are in some degree of precarious work (defined as a state of employment that lacks security or benefits) and that this type of employment has risen by nearly 50 percent in the past two decades. It also found that people in insecure work tend to earn 46 percent less than those in secure positions, and rarely get benefits.<sup>3</sup>

**The top 10% of Canadians accounted for almost half of all wealth in 2012. The bottom half of all Canadians accounted for less than 6% of wealth** (Broadbent Institute 2014). In 2017, eight out of ten Canadians said the gap between the rich and everyone else is a problem (4 out of ten say it's "a very big problem"; Stratcom, 2017). Economic inequality does not affect all Canadians in the same way. Income and wealth disparities disproportionately impact women, racialized, Indigenous peoples and recent immigrants. There has been growth in high-wage employment and in low-wage employment, but a decline in middle-income jobs (Kalleberg 2011). Only 8 percent of precarious workers receive medical benefits, compared to 100 percent of those in secure employment (The Precarity Penalty, 2015).

The permanent state of insecurity and stress felt by people in precarious jobs is taking a mounting emotional toll, they are:

- 6 times more likely to delay starting a relationship because of job uncertainty.
- 3 times more likely to delay having kids.
- 3 times more likely to report having an anxiety attack in the past month.
- 2 times more likely to report having mental health problems.

A 2017 U.S. study shows that employee-owners in ESOPs (ages 28 to 34) have:

- 92% higher median household wealth
- 33% higher income from wages

<sup>2</sup> <https://www.theglobeandmail.com/report-on-business/economy/jobs/canadas-shift-to-a-nation-of-temporary-workers/article11721139/>

<sup>3</sup> *ibid.*



- 53% longer median job tenure

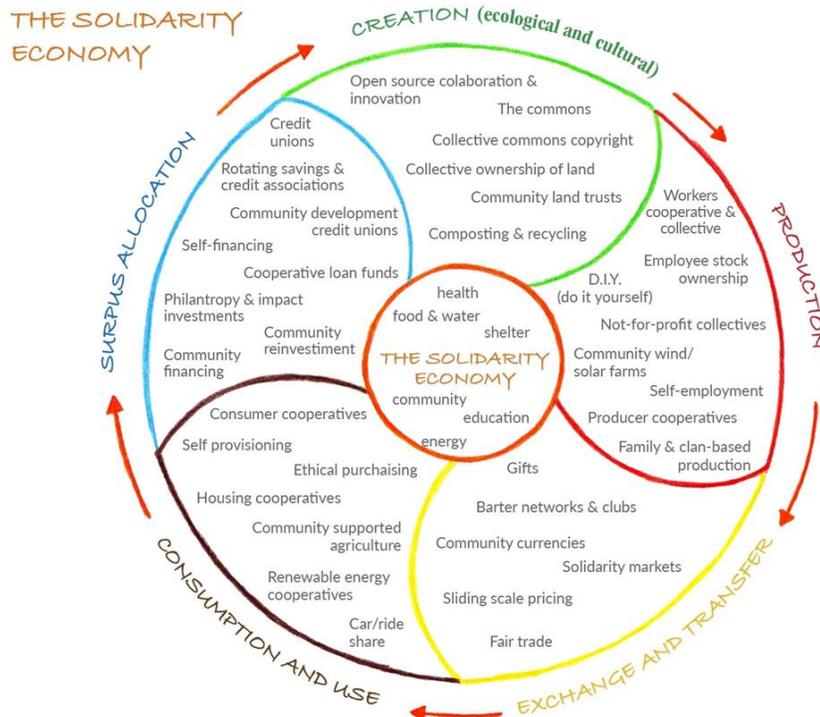
In other words, employee-ownership can provide a higher and more stable income, which in turn leads to decreased feelings of anxiety, stress and family conflict. ESOPs and employee-owned co-operatives are two of the models that are being used to improve people's lives.

### The Solidarity Economy

Emily Kawano is Co-Director of the Wellspring Cooperative Corporation, which is seeking to create an engine for new, community-based job creation in Springfield, Massachusetts. In March 2018, she published an article on the solidarity economy and she sums up, very well, the current economic, social and ecological context for the CWCF's strategic plan:



*We stand at the brink of disaster most of which is of our own making. The current economic system is killing us and the planet. To survive, we need a fundamental transformation from an economy that is premised on homo economicus—calculating, selfish, competitive, and acquisitive—to a system that is also premised on solidarity, cooperation, mutualism, altruism, generosity, and love. These are the values that the solidarity economy seeks to build upon. As we human beings practice and live more fully with these values, we are better able to realize the better angels of our nature. There is a strong and diverse foundation upon which to build that stretches across the globe. If these “imaginal cells” can recognize each other as pieces that are engaged in the same transformative project, then we can achieve a metamorphosis of our economy and society, where the welfare of people and planet are of the greatest import. This shift toward the solidarity economy may enable us to pull back from the brink.* [Solidarity Economy: Building an Economy for People & Planet, by Emily Kawano, 2018](#)



The principles of the solidarity economy vary in their articulation from place to place but share a common ethos of prioritizing the welfare of people and planet over profits and blind growth.

The U.S. Solidarity Economy Network uses these five principles:

1. solidarity, cooperation, mutualism;
2. equity in all dimensions (e.g., race, ethnicity, nationality, class, and gender, etc.);
3. participatory democracy;
4. sustainability; and,
5. pluralism.

It is important to take these principles together. Individually, they are insufficient to undergird a just and sustainable system. It is entirely possible to have alignment in one dimension but not in others. For example, it is possible to have equity without sustainability, democracy without equity, sustainability without solidarity, and so forth. Like any healthy ecosystem, the solidarity economy flourishes with a full spectrum of interconnected principles.

## Scaling Up Worker Co-ops/Employee-owned Enterprises

### The BIGGER Picture

#### Climate chaos to continue in 2018, UN chief warns; Will the world rise to challenge?

(March 29, 2018)



UNICEF/Moreno Gonzalez

A woman walks in the street of Roseau, capital of Dominica, which has struggled to overcome the severe impact of two category 5 hurricanes which tore through the region in September 2017.

"I am beginning to wonder how many more alarm bells must go off before the world rises to the challenge," Mr. Guterres said, noting that 2017 had been filled with climate chaos and 2018 has already brought more of the same.

"Climate change is still moving much faster than we are," he warned, calling the phenomenon the greatest threat facing humankind:

- Energy-related carbon dioxide emissions rose 1.4 per cent, to a historic high of 32.5 gigatonnes.
- Weather-related disasters caused some \$320 billion in economic damage, making 2017 the costliest year ever for such losses.
- In South Asia, major monsoon floods affected 41 million people.
- In Africa, severe drought drove nearly 900,000 people from their homes.
- Wildfires caused destruction across the world.
- Arctic sea ice cover in winter is at its lowest level, and the oceans are warmer and more acidic than at any time in recorded history.

<https://news.un.org/en/story/2018/03/1006271>

<https://climate.nasa.gov/>

The Canadian Worker Co-operative Federation is a small, national organization that represents and provides services to 50 worker and multi-stakeholder co-op enterprises. Its membership also includes the three Quebec federations of worker co-operatives that collectively have 95 worker co-op members and who wish to have CWCF act as a federation of federations, or a "confederation". In addition, CWCF has developer members in its Worker Co-operative Developers' Network member category who join through CoopZone, as well as Associate (non-voting) members that include renewable energy co-ops, and CED Investment Funds that joined primarily to have access to CWCF's RRSP-TFSA program.

Over a quarter century, CWCF has created and implemented various strategies to build a worker co-operative movement, including providing technical assistance and capital to start-up co-ops, organizing annual professional development and networking conferences, lobbying governments for legislative changes, and partnering with other co-operative organizations (most recently with the Canadian Co-operative Investment Fund or CCIF).

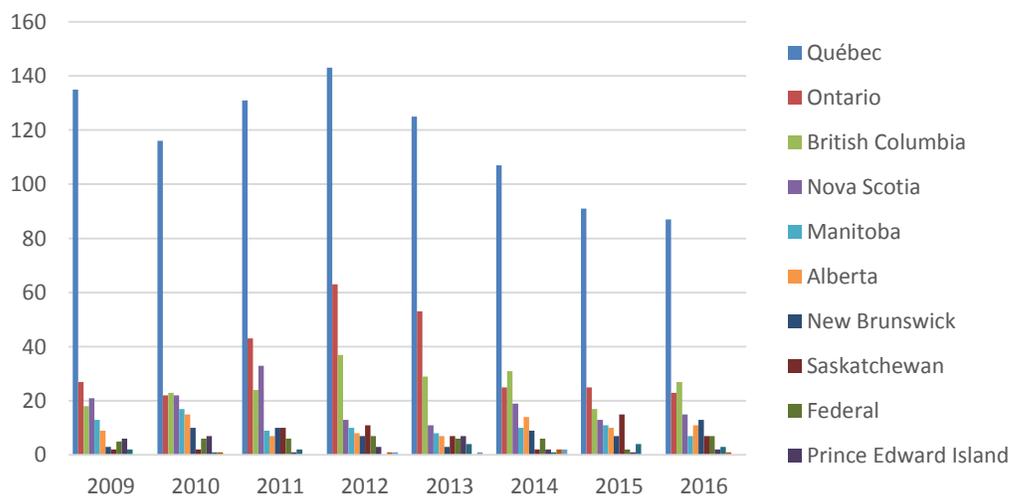
Since the global economic collapse in 2008, we might have expected a significant increase in the number of worker or employee owned co-operatives in Canada, in an attempt by working people to create more stable employment and have more control over their workplaces. Instead, temporary work has grown at more than triple the pace than permanent employment, up 14.2 percent for temp work between 2009 and 2012, versus 3.8 percent for permanent workers.

### New Co-operatives in Canada

Chart 1 shows the number of new non-financial co-operatives incorporated in Canada since the economic collapse. While the graph shows Quebec leading the other provinces by a large margin, since 2009 there has actually been a 4.7% decrease (136 fewer co-ops) in Quebec co-

operatives.<sup>4</sup> Ontario has seen the largest growth with 197 new (non-financial) incorporated co-operatives, with Nova Scotia a distant second at 46 new co-ops since 2009. Overall, across Canada, there has been a decrease of 217 co-ops, from 8,008 in 2009 to 7,791 in 2016. A significant reason for the overall decrease is the amalgamation trend in the co-op sector.

Chart 1: New Co-operatives Incorporated in Canada 2009 to 2016



In comparison to the number of small and medium sized enterprises (SMEs) in Canada - over one million – **the number of co-operatives represents only 0.7% of SMEs.**

Chart 2: Number of Canadian Worker Co-ops by Sector 2018

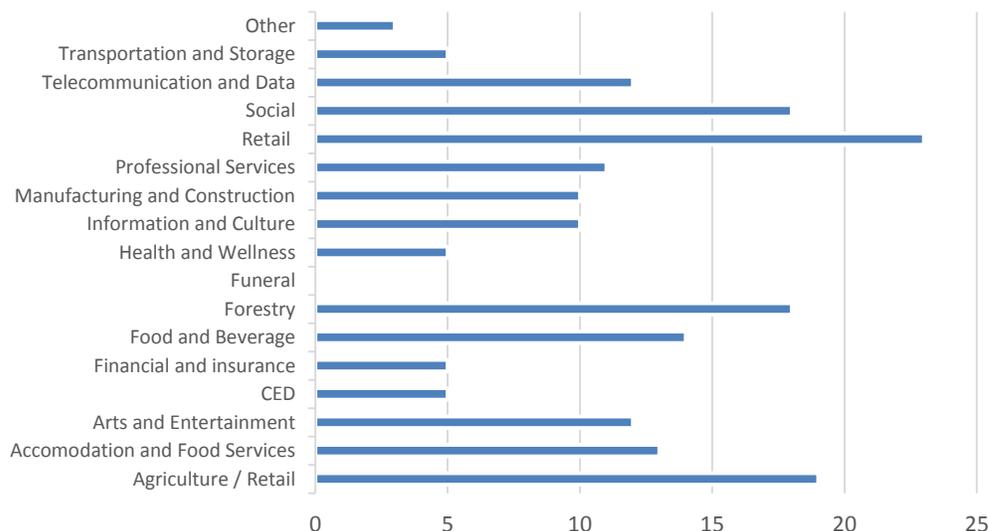


Chart 2 shows some initial results from the CMC / CWCF survey regarding the industry sectors in which worker co-operatives operate. **The total number of active worker co-operatives in**

<sup>4</sup> Industry Canada, <https://www.ic.gc.ca/eic/site/693.nsf/eng/00149.html>

Canada is about 280, with 180 in Quebec and 100 in the rest of Canada.<sup>5</sup> There are also 89 multistakeholder /solidarity co-ops in Quebec and 26 in the rest of Canada. In 2017, there were 357 worker co-ops in the United States.<sup>6</sup>

In some other parts of the world, worker co-ops are much more numerous. The International Organisation of Industrial, Artisanal and Service Producers' Co-operatives (CICOPA) provided the estimates shown in Table 1 at their 2013 conference in South Africa.

**Table 1: Estimated Number of Worker Co-ops and Employee Owners in Four Continents**

Continent	Number	% Total	CICOPA	Employees	% Emp.	Average Emp.
Europe	92,738	83.4%	42,351	1,699,402	58.5%	18
South America	13,413	12.1%	13,312	1,102,959	38.0%	82
Asia	4,446	4.0%	4,446	88,592	3.1%	20
<b>North America</b>	<b>575</b>	<b>0.5%</b>	<b>353</b>	<b>12,876</b>	<b>0.4%</b>	22
Total	111,172	100.0%	60,462	2,903,829	100.0%	26

Europe and South America have the lion’s share of worker co-operatives and the number of employee owners, while **North America** is only a fraction of one percent.

Meanwhile, **social enterprises** in Canada have caught the imagination of aspiring entrepreneurs, many of them young people, as well as various levels of government and other investors. This has resulted in new programs, policies and funding and financing for social enterprise across the country. In Canada, there are approximately 7,000 documented social enterprises, and about one quarter of them are co-operatives. There is also a small, yet growing number of B-Corps and hybrid corporations operating in the social economy.

**The USA Worker Co-op Movement**

Over the last few years, the worker co-operative movement in the United States has caught the imagination of working people, foundations, governments (municipalities – see Appendix 4 for examples – across the nation, and the federal government) and people in other movements (for example, anti-racism, migrant justice, environment, gender equality). They are taking what Esteban Kelly, the Executive Director US Federation of Worker Co-ops, says is an “iterative or emergent strategy versus a linear or military strategy. We are able to adapt to different moments and opportunities. Worker co-ops and employee ownership are part of the solution (this came from politicians).”

When the financial collapse happened in 2008 and Occupy Wall Street was looking for solutions, so were politicians. In Esteban’s words, “there was a cultural opening that questioned

<sup>5</sup> CMC / CWCF Co-op Survey September 5, 2018; Industry Canada, <https://www.ic.gc.ca/eic/site/693.nsf/eng/00149.html>

<sup>6</sup> 2016 State of the Sector Report for USA Worker Co-ops, DAWI, 2017.



capitalism.” Elected officials looked at global statistics regarding resilient businesses, and worker co-op systems were at the top in Italy, Spain, and France. The US worker co-ops articulate their values and they are invited to conferences organized by various movements like social enterprises, sustainability, new economy, Social Democrats, climate change, and anti-racism. Esteban says, “They are seeking us out and see housing, food and worker co-ops as a major solution.”

Each year, the Democracy at Work Institute (DAWI), a sister research organization of the USFWC, publishes a state of the worker co-op sector for the United States.<sup>7</sup> With a median workforce of nine workers and \$360,000 in annual revenue, many USA worker co-operatives are small. These median figures have remained basically flat since 2013. While data on patronage payments was sparser than other areas, the median respondent distributed an additional \$32,000 to their workers in 2015, and \$18,900 in 2016 (\$15.82 USD was the average hourly wage in 2016). Roughly estimating, that translated (2015) into over \$2/hour additional compensation for the typical worker. Additionally, worker co-operatives have kept inequality down, with most reporting a 2-to-1 ratio between the highest and lowest paid workers and none reporting higher than a 12-to-1 ratio. Almost 70% of all employees are female, about 60% are non-white, and Latinos are the largest plurality of any race (43%). These figures illustrate a more diverse workforce as compared with all employed people in the country's labor force. Compared to their proportion of the US population overall, Latino employees of worker co-operatives are overrepresented by over a 3:1 rate, while Black workers are close to even (being 13.3% of the national population in 2015) and Asians are significantly underrepresented (1.9% in worker co-operatives vs. 5.6% total). *DAWI 2015 Sector Report*

In terms of scaling up worker co-operatives in the USA and Canada, Table below shows three simple linear growth scenarios (3%, 6%, 10% growth per year), and an accelerated growth rate starting a 4% in 2018 and increasing by 2% each year to 2030. These scenarios were created by the consultants to show how long it may take to “scale-up” the number of worker co-ops, including start-ups and co-operative business successions. The numbers are also net of co-ops closing or de-mutualizing.

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<sup>7</sup> <https://institute.coop/news/2016-worker-cooperative-state-sector-now-available>

**Table 2: Forecasted Scenarios for Worker Co-op Growth in the USA and Canada by 2030**

Area	Number of Co-ops			# Co-ops	Growth	Start-up		Jobs/Co-op	# jobs	\$/Job	\$/year
	2018	2030	% Rate			\$/Co-op	\$ Total				
USA	359	511	3%	153	43%	\$100,000	\$15,267,113	8	1,221	\$12,500	\$1,272,259
Canada	280	399		119		\$100,000	\$11,921,305	8	954	\$12,500	\$993,442
Quebec	180	257		77		\$100,000	\$7,663,696	8	613	\$12,500	\$638,641
<b>RoC</b>	<b>100</b>	<b>143</b>		<b>43</b>		<b>\$100,000</b>	<b>\$4,257,609</b>	<b>8</b>	<b>341</b>	<b>\$12,500</b>	<b>\$354,801</b>
USA	380	764	6%	384	101%	\$80,000	\$30,752,699	9	3,460	\$8,889	\$2,562,725
Canada	280	563		283		\$80,000	\$22,673,201	9	2,551	\$8,889	\$1,889,433
Quebec	180	362		182		\$80,000	\$14,575,629	9	1,640	\$8,889	\$1,214,636
<b>RoC</b>	<b>100</b>	<b>201</b>		<b>101</b>		<b>\$80,000</b>	<b>\$8,097,572</b>	<b>9</b>	<b>911</b>	<b>\$8,889</b>	<b>\$674,798</b>
USA	409	1,284	10%	875	214%	\$70,000	\$61,220,211	10	8,746	\$7,000	\$5,101,684
Canada	280	879		599		\$70,000	\$41,913,196	10	5,988	\$7,000	\$3,492,766
Quebec	180	565		385		\$70,000	\$26,944,198	10	3,849	\$7,000	\$2,245,350
<b>RoC</b>	<b>100</b>	<b>314</b>		<b>214</b>		<b>\$70,000</b>	<b>\$14,968,999</b>	<b>10</b>	<b>2,138</b>	<b>\$7,000</b>	<b>\$1,247,417</b>
USA	373	2,945	(4%)+2%	2,572	690%	\$60,000	\$154,317,513	12	30,864	\$5,000	\$12,859,793
Canada	280	2,213		1,933		\$60,000	\$115,962,439	12	23,192	\$5,000	\$9,663,537
Quebec	180	1,422		1,242		\$60,000	\$74,547,282	12	14,909	\$5,000	\$6,212,274
<b>RoC</b>	<b>100</b>	<b>790</b>		<b>690</b>		<b>\$60,000</b>	<b>\$41,415,157</b>	<b>12</b>	<b>8,283</b>	<b>\$5,000</b>	<b>\$3,451,263</b>

The current annual growth rate of worker co-ops in the USA is in the range of 3% to 6%, and even with a 10% rate or 4% + 2% incremental growth each year for twelve years, the number of worker co-operatives created is relatively small (2,572 in the USA and 1,933 in Canada), and the number of jobs created (assuming smaller co-ops with 8 to 12 jobs per co-op) is small in comparison to national numbers (30,864 in the USA and 23,192 in Canada). And the average co-op development cost per year (this does not include capitalizing the start-ups or conversions) is in the range of \$993,000 to \$9.6 million for Canada. These scenarios raise two interesting questions:

1. Where will this development money come from?
2. Is growing small worker co-ops an effective way to scale up the movement in the long term?

The answer to the first question is a combination of employee equity, business vendor fees, the co-op movement, government funding, foundations and financial institutions. The answer to the second question is that scaling up worker co-ops in the long term will require much larger worker co-operatives, including those receiving public procurement contracts (like the ambulance co-ops Quebec), replicating successful co-ops, and encouraging co-operative business succession of larger businesses.

The other question is what kind of strategic alliance can the CWCF negotiate with the ESOP Association? They are interested in working together, and ESOPs are a model for increasing employee ownership and even workplace democracy.

Perhaps for the CWCF, a realistic and somewhat aspirational objective for scaling up worker co-ops is doubling (500) or tripling (750) the number of worker co-ops by 2030.

## SWOT Analysis

The SWOT analysis was first completed by the CWCF board of directors at the in-person April meetings and their perceptions are quite congruent with those of the key informants and CWCF members interviewed. The updated SWOT analysis is in Appendix 1.

## Key Informant Interviews and Member Engagement

### **Key Informant Interviews**

The CWCF board of directors and senior staff have been participating in the strategic planning process through an in-person meeting in April 2018, phone / Zoom meetings, and online using Loomio. Over the course of May and June 2018, 48 key informants (who were identified by the CWCF Strategic Planning Committee and the consultants) were contacted, and 33 provided their input either online or through a phone interview. The CWCF Strategic Planning Committee<sup>8</sup> also participated (and continues to participate) in on-line discussions on the Loomio platform and in phone / Zoom meetings. A full report was written to summarize the ideas and perspectives of key informants, and a two page summary (see Appendix 2) was also provided and circulated to worker co-op members for their review before their interviews.

The objective of contacting these key informants and encouraging the Loomio discussion was to identify major trends (and their impact on worker co-operatives) and key strategies for marketing and scaling up the number of worker co-operatives in Canada.

The key informants included CWCF representatives, co-op “elders” from various sectors (including co-op housing and credit unions), board members and staff from USA worker co-op organizations, and social and community enterprise leaders. The full list of key informants (not including the Quebec worker co-op federations) is included in Appendix 2. The responses were very thoughtful, thorough and candid, and are being kept confidential (no one’s name is related to their responses).

### **Worker Co-op Member Engagement**

Canadian Worker Co-op Federation (CWCF) received a Co-operative Development Program (CDP) grant from The Co-operators Group to fund the worker co-op member engagement process. Russ Christianson and Catherine Lang supplemented their work on the strategic plan by creating a member engagement strategy together with CWCF staff, board and strategic planning committee members. This member engagement process has added significant value to the strategic planning process by providing direct feedback from 35 member co-ops (this includes feedback from three CWCF board members), two staff people, and one member of the strategic planning committee, for a total of 38 responses (a 70 percent response rate overall). This is the number of responses that was budgeted for in the original grant proposal. Nine out ten CWCF member co-ops responded to our calls. Of the 43 CWCF member co-ops contacted, only four did not respond to e-mail and telephone queries, and an additional seven were not able to schedule a date and time. Table 3 shows the results of the member engagement process.

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<sup>8</sup> The Strategic Planning Committee members included: Reba Plummer, Lee Fuge, Yuill Herbert, Omar Yaqub, Stephanie Guico, Chris Nichols, Dru Jay, Hazel Corcoran & Kaye Grant.

Table 3: CWCF Member Engagement Results (The Co-operators Group CDP grant)	# Contacted	Rate
Number of co-ops contacted by e-mail (2+ times)	43	100%
Number of co-ops contacted by phone (2+ times)	15	35%
No Response	4	9%
Number of co-ops in Contact	39	91%
Interviews completed including the matrix: 24 ; no matrix: 8	32	82%
Interviews not completed; never connected on a date or out of business	7	18%
Number of co-ops in Contact	39	82%
Number of Board and SP members contacted (2+ e-mails)	11	100%
Number of Board and SP members that did not respond (2+ e-mails)	5	45%
Total number contacted	54	100%
Total number of responses	38	70%
Number of CWCF member who want to participate in Loomio discussions	21	66%

## Key Strategic Directions and Evaluation

Through an extensive participatory process (from February to September 2018), including board meetings, strategic planning committee meetings, 33 key informant interviews and surveys, and Loomio discussions, the consultants (Russ Christianson, Cathy Lang, Dominique Bernier, and Maxence Joseph) determined the core CWCF member services and key strategic directions to receive CWCF members' feedback. In addition to asking rating questions, we used open-ended questions to ensure we did not bias the responses, and we also ensured confidentiality to encourage honest dialogue.

The detailed results of the member engagement process are shown in a separate report, and represent a diversity of opinions and perspectives, as would be expected from a nation-wide network of worker co-operatives operating in many economic sectors. The results from the member engagement report are summarized in this section, and **the CWCF Strategic Plan (2019-2022) including 2018-19 budget, core activities, scaling up strategies and implementation are in Appendix 5**. The participants in this strategic planning process provided open, honest and thoughtful feedback from their own perspectives. There are significant areas of agreement and clear direction provided regarding the key strategic directions for the CWCF and its future endeavours.

### ***Core CWCF Operational Activities and Member Services***

**The most important priorities for core member services that have been collectively identified by the members, board of directors and strategic planning committee are:**

- 1. Member engagement,**
- 2. Continuing to provide technical assistance and funding for worker co-op development, and**
- 3. Leadership succession.**

These member services can be well managed within the current organizational structure and capacity of the CWCF.

Table 4 shows the average or mean ratings (on a scale from 1 to 5) for the CWCF members, and the Board, Staff and Strategic Planning Committee (SP) for core CWCF operational activities. The green highlights show the ratings that are 4.0 or greater, and the yellow highlighted ratings show the lowest ratings from each group. There is significant overlap between the members, and the board, staff and SP committee, and there are some differences. The board of directors together with the executive director will need to make the final decisions regarding the emphasis and resource allocation to the priority activities and member services.

Table 4: Rating of Core CWCF Operational Activities and Member Services		Members	Board, Staff & SP
1	Engage existing members	4.5	4.4
2	TA Program	4.1	4.1
3	Tenacity Works Fund	3.6	3.3
4	RRSPs & TFSAs	3.2	3.0
5	CCIF financing	3.5	2.4
6	Recruit new members	3.6	4.3
7	Leadership focus	3.8	4.4
8	Work with allies	4.3	3.6
9	Work with CoopZone	3.5	2.9
10	New paid services	3.9	3.4

There are three existing core CWCF operational activities that are lower priority based on the ratings given:

1. CCIF financing (and providing a CWCF grant to help with the application),
2. Working actively with CoopZone, and
3. Tenacity Works Fund.

While the RRSP and TFSA programs received low ratings – because they are not directly benefiting the majority of the worker co-op members no matter the size or stage of organizational life cycle – the RRSP program operates as a social enterprise and generates net revenue of over \$100,000 per year (56% of total net revenue for the 2017-18 CWCF budget) to help fund CWCF’s operations. The program provides a valuable community service to the broader co-op sector and the CED Investment Funds. **Given this level of income generation and the importance of the service provided, it makes sense for the RRSP program to continue to be a focus.** Additionally, if there are more large worker co-ops in Canada in future, they will be eligible to access the program (a minimum of 11 members is required).

This leaves two strategies: *recruiting new members* (a high mean rating of 4.3 out of 5 by the board and staff) and *working with allies to impact government relations* (a high mean rating of 4.3 out of 5 by members) as other activities to be determined. *Recruiting new members using the results of the joint CMC / CWCF national survey* may be a worthwhile and relatively low-cost

strategy, depending on the final results of the survey which are expected in November 2018. **The members are clear that the CWCF needs to make government relations (particularly with the federal government) a priority**, and this strategy could be combined with the external strategy of creating a solidarity alternative to capitalism.

At this point, it does not appear to be a strategic priority to *research and create a plan to offer paid services such as management consulting, bookkeeping/accounting, governance training (Co-op Index), and sustainability / triple bottom line*. In comparison to the RRSP social enterprise, which is already operating well, this new enterprise would have to compete on price and quality with the professional services that are already accessed locally by CWCF member co-ops, and that may also be specific to their industry sector. Nevertheless, given the interest of some of the members, this strategy may be reconsidered in the future.

**Scaling Up Employee-owned and Multi-stakeholder Co-operatives**

In comparison to the core activities and members services evaluated above, the **awareness building and scaling up strategies will require more ambitious goals, and the development of long-term partnerships and funding sources** that will allow CWCF to grow its organizational capacity (including new project and permanent staff). In the shorter term, CWCF can implement incremental strategies to engage with potential partners and build its networks of allies.

As shown in Table 5, strategy #3 was rated the highest by the members (4.5 out of 5), and also rated highly by the board and staff (4.1 out of 5): **Build solidarity with other economic, social and environmental allies, and create and communicate a long-term socio-economic vision that is a sustainable alternative to capitalism and the growth of precarious work**. This strategy could be combined with number 8 above: i.e. *Work with allies to improve federal and provincial legislation, regulations and programming regarding worker co-operatives and employee ownership* (which received a high mean rating from members of 4.3 out of 5, and a lower mean rating of 3.6 by board and staff).

Table 5: Scaling up employee-owned and multi-stakeholder co-operatives		Members	Board, Staff & SP
1	Promote WC model	4.0	3.7
2	Stories & videos	3.9	3.4
3	<b>Solidarity alternative to capitalism</b>	4.5	4.1
4	Promote WC business succession	3.8	4.1
5	Start-up intensive training	3.7	4.3
6	Geographic & sector strategy	3.9	3.4
7	Create a policy kit	4.2	2.3
8	Create a charity	3.3	3.2

*Creating a charitable sister organization for education, poverty alleviation and community development through the use of employee and community ownership* (strategy #8 in Table 5) is

not seen as a priority by either members or the board and staff at this time. It is recognized that the worker co-operative movement in the United States did use this strategy when it created the Democracy at Work Institute as an independent organization in 2013

(<https://institute.coop/>).

Earlier this year, the board made the decision to put on indefinite hold its co-operative business succession (strategy #4 in Table 5) lobbying effort with the federal government. While the opportunity appears to be large and is driven by the demographics of retiring baby boomer business owners, there have been very few worker co-op or employee takeover business succession examples in Canada. The board and staff rated this strategic opportunity slightly higher than the members (4.1 versus 3.8), and they also shared concerns, mostly because of the lack of results to date. Perhaps the Co-operative Business Succession Committee's idea of pilot testing the idea in one region with experienced developer capacity could be considered.

Strategy #1: *Identifying specific communities (for example, geographic, Indigenous, New Canadians), universities and colleges (staff and students), business organizations, professionals, etc., and promote the worker co-op model and CWCF in ways that resonate directly with them (shared values and experiences)* was rated 4 out of 5 by the members and 3.7 by board and staff. The suggestion was also made that this strategy could be combined with #3, *building a solidarity alternative to capitalism*. However these specific strategies are combined (or not), **there is a strongly agreed upon need by key informants, members, board and staff that a concerted ongoing effort needs to be made to build the awareness regarding worker co-operatives**. The idea of telling compelling worker co-ops success stories by Internet-based videos (strategy #2 in Table 5) could be one way to build awareness, and **people are aware of the challenge of not having "wildly successful worker co-ops to promote"** and the risk of spending the money required to create quality videos and not gaining sufficient distribution.

Worker co-op start-up intensive training like Quebec's *Parcours* or British Columbia's *Co-operate Now* (strategy #5 in Table 5) received a high average rating of 4.3 out of 5 from the board and staff, and a lower rating of 3.7 from the members. There are concerns whether the demand will be there and the limited energy and resources of the CWCF to take this on. One suggestion was to start in one city and work with a community college. There is also the question of how CWCF and CoopZone could collaborate on such an initiative. There are already some resources in place to translate *Parcours* into English, but this is currently on hold awaiting the conditions on doing so. **It is important to consider the strong and consistent member feedback in the interviews that CWCF's support of start-up worker co-operatives is an essential and worthy endeavor.**

The geographic co-op ecosystem strategy (similar to the USA city-based strategy) is not seen as being as promising as the sector strategy (that has a proven track record, particularly in homecare, housecleaning, green construction, and now platform co-operatives). Again, the role of CoopZone versus CWCF, particularly in taking the lead on this initiative is a question that needs to be addressed.

The strategy with the most significant rating difference between member (mean of 4.2 out of 5), and board and staff member (2.3 out of 5) ratings is #7: *Create a policy kit that aligns employee-ownership with job creation and security, business succession, local food, wealth equality, climate action, reconciliation, migrant justice, etc. ; Work to promote it along with allies and potential allies, including co-operatives, credit unions, labour unions, ESOP (Employee Share Ownership Plan) Association, social enterprises, Indigenous communities, community foundations, educational institutions, faith-based groups, and federal, provincial, and municipal governments.* The board and staff are concerned about the cost-benefit, and the recent lack of lobbying success with the federal and provincial governments. The members, and **the board and staff share the concern that the CWCF does not have the capacity or resources to lead this initiative and will have to identify committed allies to pursue it.**

### **Member Engagement**

CWCF members were pleased to have been contacted and provided with the opportunity to share their honest feedback regarding their co-op's CWCF membership and the core services and strategic directions. They appreciate the network and connections they feel with CWCF staff and members and two-thirds (21 out of 32) of the members interviewed want to participate in the Loomio discussion (and it needs to be well facilitated). This technology is one way for members in a national organization to stay in touch with each other between annual conferences / AGMs, and they would also appreciate more direct outreach from CWCF via personal e-mail and phone calls, in-person visits to their co-ops, and regional network meetings.

### **Branding and Communications**

A number of key informants and CWCF members have mentioned the importance of using the right messages and words to communicate to various key audiences, including young people, retiring business owners, social enterprise proponents, Indigenous people, and new Canadians. Some expressed strong feelings that the word "co-op" is seen by some audiences as old-fashioned, out-of-date, or an impediment and that many people (particularly younger people) do not identify themselves as "workers". Some members with marketing experience may be willing to assist CWCF in testing different messaging with various audiences via social media to see what resonates.

There was also concern raised regarding the CWCF website and the "grainy" photographs posted there. For a good example of how a website can be specifically targeted to an audience, it is worth viewing <https://www.project-equity.org/>

The logo and legal name for the CWCF does not need to be changed; however, it is important to think carefully about the various strategies / projects, their target audiences and how best to communicate with those audiences to get their attention. The CWCF brand is also impacted by the professionalism of the organization, its conferences, webinars, and designated representatives. All of these aspects need to be kept in mind to protect and grow the brand.

## Quebec Worker Co-op Federations

The focus of this strategic plan is to engage CWCF worker co-op members, help strengthen their enterprises, and seek partners and resources to scale up the worker co-op movement. In addition, CWCF's three Quebec worker co-op federation members would like CWCF to help them strengthen their own federations through improved federal government relations, and providing a unified voice to the broader Canadian and international co-operative movements. The CWCF needs to meet its Quebec federation members where they are, and at the same time, it also needs to support its other worker co-op members in Quebec. More work and discussions will be required to fully engage the Quebec worker co-op federations.

## Potential Allies and Partners

There are a large number of allies and potential allies with which the CWCF already engages. There are some that need to be more engaged as working partners, as well as prospective new allies that should be approached depending on the strategy in question (please refer to Appendix 6). This can include additional partnering with the USFWC, the Democracy at Work Institute, and Project Equity from the U.S. Each of these organizations have created resources which could potentially be adapted for use in Canada. In addition to other co-operatives and credit unions, there are other potential allies that share similar values and objectives including labour unions, social enterprises and their organizations, political allies, educators and educational institutions, businesses and business organizations (like CFDCs, the ESOP Association and Succession Matching), and professionals (co-op developers, lawyers, accountants, HR professionals). It's important to note that some allies may not share all of the same values as CWCF and its members, but might find shared purpose in jointly pursuing particular strategies.

## Budget and Financial Leverage

The accompanying spreadsheet with the core CWCF activities and member services, and the strategies for building awareness and scaling up worker co-ops shows the detailed budgets and discusses the points of financial leverage to implement the strategic plan. The CWCF board has allocated \$30,000 from the reserve funds (one-third of which may come from a grant) to begin the implementation of the plan this year. The core activities and the suggested improvements in member engagement, technical assistance and the Tenacity Works Fund can be funded from this reserve allocation. The more ambitious scaling up strategies will require CWCF to identify and negotiate strong partnerships and source adequate funding to facilitate effective implementation. Goals and budgets, as well as roles, responsibilities, contributions and outcome measurements will need to be developed with the partners to effect collaborative buy-in. Ongoing evaluation and continuous improvement of the strategic partnerships and project tactics will be an important component to build in from the beginning.



### Risks and Contingencies

The risks that CWCF faces are both in not being ambitious enough and in being too ambitious. CWCF is a small organization with small co-op members.<sup>9</sup> The dues structure does not currently support the core activities and services that the organization provides its members. The major net revenue that funds the operations each year is from the RRSP program, which is mostly used by associate members. It is a successful social enterprise and a source of earned revenue for the CWCF.

Where possible, CWCF should prioritize assisting its members to grow their enterprises and become more successful (including paying higher wages, benefits and patronage rebates). CWCF might also identify potential co-op replication opportunities based on the experience of its members and co-ops in other jurisdictions and recruit new worker co-op members. These strategies will ultimately lead to higher dues payments and make the organization more relevant to its members and more sustainable.

CWCF's long-time leadership is approaching retirement age and some key people have already retired. Leadership succession (including for the ED position) is very important, and a concerted effort needs to be made to recruit and nurture young and diverse talented members to committees, task groups, and the board. One idea that has been suggested is to have more members of worker co-ops (including new members) make presentations at the annual conferences or on webinars.

CWCF also benefits from dividends from their membership in The Co-operators, and the insurance industry is entering a more turbulent business environment with the impact of climate chaos on extreme weather including floods, fires, and drought. In the future, this dividend may not be as stable as it has been, and this is another reason to foster growth of existing members and therefore member dues, while continuing to pursue the RRSP earned revenue strategy.

The building awareness and scaling up strategies are consciously designed to be incremental, integrative and collaborative. CWCF cannot take these strategies on by itself. It needs to find and negotiate strong partnerships with shared funding and operational capabilities, including the possibility of seconding partners' staff where and when appropriate. This will require a savvy and ongoing networking strategy for the CWCF leadership and regional and local champions. The solidarity economy has the potential to bring more people together to build the kind of co-operative economy that the CWCF holds dearly in its vision.

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<sup>9</sup> Many CWCF worker co-op members could be classified as "micro-businesses". "A micro-business is a firm with five or fewer employees, started for \$50,000 or less in initial capital and that may not have access to traditional commercial loans." <https://microbiz.org/about-micro-business/what-is-micro-enterprise/>

Appendix 1: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Organization is stable</li> <li>• Healthy retained earnings</li> <li>• Social capital, our people</li> <li>• We are mostly independent, financially and fully (or almost) verbally independent</li> <li>• Well networked in the co-op world</li> <li>• Global networks</li> <li>• Connection to CoopZone</li> <li>• National and bilingual -&gt; lifetimers</li> <li>• Lots of wisdom</li> <li>• Ethical imperative that resonates with some</li> <li>• Appeal to values of most people including the young</li> <li>• Lots of heart</li> <li>• Strong story and history</li> <li>• We have a long track record and longevity</li> <li>• We're in many sectors and locations (unique insights)</li> <li>• Transferable to any context</li> <li>• Fund and connection to other funds</li> <li>• We have fun</li> <li>• Diverse ages -&gt; tenacious</li> <li>• We have a good understanding of how to build worker co-operatives</li> </ul>	<ul style="list-style-type: none"> <li>• Low membership and engagement /communication</li> <li>• Representation of a minority of worker co-ops in Canada</li> <li>• No extra staff time</li> <li>• No statistics (e.g. wage levels)</li> <li>• Lack of research on worker co-operatives in Canada</li> <li>• Insufficient attention to building strategic alliances</li> <li>• Internal management succession</li> <li>• Core activities not creating revenue</li> <li>• Focus on worker ownership co-op model, not as solution to key social issues</li> <li>• Member dues are not offsetting costs of services</li> <li>• Promotion of co-op model can be a bit over zealous</li> <li>• Limited resources – need to use them effectively</li> <li>• Need for modern, slick communication/graphic style</li> <li>• Unclear identity/message in co-op world</li> <li>• Lack of clarity about worker co-ops versus multi-stakeholder models as focus of CWCF</li> <li>• Focus on CMC/government not inspiring to members</li> <li>• Internal focus on co-op sector means less connection with prospective champions outside of co-op movement</li> <li>• Acting out of scarcity (even with money); not entrepreneurial enough</li> <li>• Low membership and small worker co-ops (3-5 people);</li> <li>• Lack of attention to targeting outcomes and evaluation of impact (on members and other audiences through specific projects)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Disenchantment with regular employment (too much control by others/too many parameters). Will of the younger people. The way the younger people work does not match management's idea- not just \$</li> <li>• Precarious, contract, underpaid employment</li> <li>• Interest that some potential allies in social enterprise sector have in worker ownership</li> <li>• Working with those allies to promote role worker ownership could play to address social/economic issues</li> <li>• Tie into social economy because they have funding and attention</li> <li>• Economic disruption</li> <li>• Sharing / Gig economy</li> <li>• Platform co-op (online opportunities)</li> <li>• Social media/networks</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of awareness of the model; including business curriculum</li> <li>• Democracy in society is undergoing change; political shift to autocracy</li> <li>• Democratic models perceived as being slow in decision making, not nimble to meet current shifts in economy</li> <li>• Culture and education focus on capitalism; traditional management &amp; self interest</li> <li>• Lack of success stories</li> <li>• Perception that co-ops are old fashioned</li> <li>• Fail to connect to new generation of potential worker co-op members</li> <li>• Lack of recognition and support within the Co-op movement</li> </ul>

<ul style="list-style-type: none"> <li>• Could be a thought leader, a good example in the broader economic context and in the co-operative movement itself (e.g. in Vancouver)</li> <li>• Tell the WC story e.g. Vancity's Brave New Work Summit with Simon Fraser U;</li> <li>• WC booths and trade show exposure; partnerships and leveraging</li> <li>• Being the compelling story</li> <li>• Show how employee and community enterprise ownership and workplace democracy helps solve broader issues like precarious work, income inequality, climate chaos</li> <li>• Can promote research and engage young people in post- secondary institutions to study worker ownership</li> <li>• Identifying influencers (youth and other allies) who can spread the message about worker ownership</li> <li>• Identifying professionals who work with succession to share information on worker buyouts</li> </ul>	<ul style="list-style-type: none"> <li>• Limited presence in SE sector</li> <li>• Overwhelmed by mass of information (invisibility)</li> <li>• Social enterprise substitution for real co-op or workplace democracy; social entrepreneurship focus on individual entrepreneur</li> <li>• The challenges / learning curve required to operate a good worker co-op &amp; lack of good training / coaching</li> <li>• Lack of specific co-op grant funding</li> <li>• Not in a position to act quickly if an opportunity arises</li> <li>• Failure to recognize the "niche" aspect of worker co-operatives; they are not mainstream</li> <li>• Business succession proposal not successful with federal government</li> </ul>
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### What does CWCF currently offer?

- Annual CWCF conference
- Alternative business model
- Website and links
- Newsletter
- Webinars
- Technical assistance grants and loans
- RRSP/TFSA
- Health benefits
- National and international learning opportunities

### Things we would like to offer

- Solid legal, accounting, management advisory services to worker co-ops or to a group in a geographic area (e.g. Realize Strategies)
- Local networks have to add business value to worker co-ops
- Guidance to government
- RRSPs for small worker co-ops (10% rule)
- Inspirational stories (Reseau) and Info-graphics
- Appeal to young people
- Parcours Plus (Reseau training program in Montreal) / Intensive start-up training
- City-based strategies/workshops
- More innovative and entrepreneurial within constraints
- Replicating successful worker co-ops
- Business succession – more entrepreneurial
- Collaborate with university research – questions to research



### Emotions/Feelings Evoked by Scaling Up Worker Co-ops

- When people hear about it, they feel good about it
- Inspiration
- Adventure
- Hope in the economy – people-centered model
- Not alone: belonging / empathy; community, not isolated
- Empowerment
- Sense of confidence it can be done & has been done
- Openness – information – safe
- Unrealistic
- Confusion and uncertainty
- Overwhelming
- We want to focus on the best choices for the CWCF; have a dream and a plan

## Appendix 2: Key Informants and Loomio Major Themes

### Introduction

This report summarizes the major themes that emerged from key informant interviews and surveys (forty eight people were contacted and thirty-three either provided their input online or through a phone interview between May 14 to June 26, 2018). The Strategic Planning Committee also participated (and continues to participate) in on-line discussions via Zoom and Loomio. The objective of these discussions was to **identify major trends (and their impact on worker co-operatives) and key strategies for marketing and scaling up the number of worker co-operatives in Canada**. This is a two-page summary of the major themes that emerged from the original report.

### Major Themes

#### ***Dominant Culture and Lack of Awareness of Worker Co-ops***

- We have a culture (and related policies) of individuality and individual entrepreneurship, and a neoliberal economic agenda without support for co-operatives. We need to be economic visionaries and educate people about how co-ops can add value to their lives.
- There is a lack of awareness and trust in democratic enterprises and inadequate promotion.

#### ***Worker Co-ops Are Hard to Start (and to keep going)***

- It's challenging to start worker co-ops: They need an experienced developer, a strong collaborative group, sufficient start-up capital, sage legal advice, a good business, and after care.
- Maintaining a worker co-op is a challenge. Those that succeed have members who are resilient and innovative in finding solutions, and usually receive support from their federation.
- Co-ops are often perceived as being more restrictive than alternative business structures, particularly in the area of capital raising, and employees/workers may be risk averse.

#### ***Branding and Communications***

- Many co-ops – of all types and sizes – are using the "coop" brand and tag lines internationally to market "the co-operative difference", and public awareness of co-operatives remains relatively low. Are the terms "worker co-op" or "co-op" and "movement" the right words for this time? Do they resonate with our target markets (young people, retiring business owners, social entrepreneurs). Some suggestions include community ownership, joint ownership, shared ownership, employee ownership, and solidarity economy
- It's a challenge to promote when many people in worker co-ops are not making a decent living
- The key questions for CWCF are: What are you (CWCF) trying to "sell"? Who wants to "buy into" that concept, idea, or service? And how do you reach them?

- Market the social, community, belonging aspects, working together to build a business to help yourself and help your community; build emotional excitement about worker co-ops
- Find language that communicates the benefits of worker co-ops as alternative economic structures, with a triple bottom line

### ***Social Enterprise Spaces and Young People***

- Co-op people and ideas are not embedded in the social enterprise space; there is potential and willingness for greater collaboration
- We need to reach young people who are already questioning the current economic system and its social and environmental impacts. Many want a way out of the precarious gig economy.
- Promote WCs at educational institutions (particularly post-secondary, and not just business schools); Pay student ambassadors to promote collective entrepreneurship (e.g. Montreal)
- Use social media (websites, FB, Instagram, YouTube), create high quality short videos for promotion, including testimonials from young worker owners, success stories / examples

### ***Co-operative Business Succession / Conversion***

- There is a lack of knowledge and promotion of the worker co-op / employee-ownership option; We need compelling stories / examples from the retiring owners' and employees' point-of-views
- Often a lack of interest and capital from risk-averse employees
- Promote WC business succession in targeted areas where there is development expertise. Potential conversions must be successful businesses and can (hopefully) access CCIF capital
- How much capacity do we have to deliver on this option? Internal and external?

### ***Promising Sectors of the Economy for Worker Co-ops***

- Low barriers to entry, low capital requirements, labour intensive: retail; social and cultural; consulting; freelance; hairdressers; Agriculture and food; Health and homecare; Child care
- Technology based, platform, youth oriented, gig economy
- Environment / Climate Change: Renewable energy; Green building; Fair trade
- It's not the sector per se, it's the founding members who have a passion for the business

### ***Geographic Areas or Cities***

- Places with trained co-op developers; worker co-ops; supportive government and credit unions
- Urban areas, because of population density, young people and economic opportunities
- Vancouver and Fraser Valley, Nelson, Gulf Islands and Kootenay, Edmonton, Calgary, Toronto, Hamilton, Ottawa, London
- Smaller cities and rural areas, agriculture (farm succession), areas of higher unemployment
- Areas of reliance on local solutions to community needs: Nova Scotia, Newfoundland, Indigenous communities (including Vancouver, Winnipeg, Saskatoon)

### ***Build an Ecosystem for Worker Co-op Development***

- Build local infrastructure, city-based like recent USA initiatives, working with the resources we have available, including co-op developers, boot camps, incubators, and worker co-ops mentors
- I'm proud to be a member of this sector and would happily be one of the ambassadors we need to grow. We need to be strong in presenting a third way forward.
- Concentrate on selective key projects in different areas of the county. Work as hard as you can to make sure they succeed. Word will get around. There is no quick fix.
- We need a vision about doing it without government money and learn how to fundraise.

### ***Potential Partnerships***

- Partner better with the broader co-op movement, especially CMC and the provincial associations. Ontario Co-operative Association has a new Trillium grant ***application*** to support co-operative business succession in rural southwestern Ontario (centered around London).
- WC movement needs to partner more effectively with a whole coalition of groups: environmental, immigrant-serving, Indigenous, social-change, CED, faith-based, labour, ESOP
- FCM, Economic Development Officers, Chambers of Commerce, Community Foundations, CFDCs

### ***Updated SWOT Analysis***

- We have an updated SWOT completed with board, staff and SP committee input.

### Key Informants (not including the three Quebec Worker Co-op Federations)

<b>Key Informants for 2018 CWCF Strategic Plan</b>	
<b>Name</b>	<b>Organization</b>
Bridault, Alain	CWCF
Corcoran, Hazel	CWCF
Frost, Marty	CWCF
Grant, Kaye	CWCF
Guico, Stephanie	CWCF
Hannley, Lynn	CWCF
Hough, Peter	CWCF
Jay, Dru	CWCF
Nichols, Chris	CWCF
O'Neill, Greg	CWCF
<b>Co-op Sector Stakeholders</b>	
Abel, Hillary	Project Equity, USA
Bardswick, Kathy	The Co-operators, and ICA director (retired)
Cameron, Peter	OCA
Campagna, Louis	The Co-operators
del Bianco, Elvy	Vancity
Fitzpatrick, Glen	Newfoundland-Labrador Federation of Co-ops
Gent, Derek	Vancity
Geremie, Julien	CCO
Gordon, Larry	Co-op and workplace democracy advocate
Guy, Denyse	CMC
Hachey, Amanda	Co-op and CED Consultant
Hunter, Laird	McGee, Richard Toogood LLP
Iler, Brian	Lawyer, Long time co-op activist, social enterprise
Kaliel, Brian	Lawyer
Kay, John	BCCA
Kelderman, Diane	NS Co-op Council
Kelly, Esteban	US Federation (WC)
Kemble, Rebecca	USFWC, CICOPA EC member currently
Krueger, Audra; White, Kyle	Co-operatives First
Miller, Sally	Fourth Pig Worker Co-op, OCA Board
Novkovic, Sonja	Saint-Mary's Univ and ICA Research Chair
Pal-Pross, Kiran	Co-op Developer for Indigenous communities
Prunty, Ben	CoopZone
Reimer, Brendan	ACU
Roelants, Bruno	ICA (and CICOPA)



Shain, Tim	CFDC, Yellowhead, AB
Wilson, Alexandra	Agency for Coop Housing
<b>Allies and Potential Allies</b>	
Hunt, Stephen	United Steelworkers
Alain, Béatrice	Chantier de l'économie sociale
Chris Dohnal (Marjorie Brans)	Intrapreneurial Initiative
Donkervoort, Marty	Social enterprise and co-ops - review plan
Martin, Brendan	The Working World (Argentina and NYC)
McKenna, Katie	The Leap Manifesto
Neamtan, Nancy & Béatrice Alain	Chantier de l'économie sociale
Ohler, Dan	ESOP Builders
Reynolds, Joanna	Centre for Social Innovation (CSI) Toronto
Steve Beauchesne	Beau's All Natural Brewing Company

DRAFT

### Appendix 3: Living Wages Across Canada

The table below provides a comparison between a *living wage* and the provincially legislated minimum wage in cities across Canada, and the percentage difference.

City	Living Wage	Minimum Wage	Increase Required	Percentage Difference
Halifax, NS	19.17	11.00	8.17	74.3%
Vancouver, BC	20.91	12.65	8.26	65.3%
Victoria, BC	20.50	12.65	7.85	62.1%
Saint John, NB	18.18	11.25	6.93	61.6%
Whitehorse, YT	18.26	11.51	6.75	58.6%
Antigonish, NS	17.30	11.00	6.30	57.3%
Regina, SK	16.95	10.96	5.99	54.7%
Yellowknife, NT	20.68	13.46	7.22	53.6%
Saskatoon, SK	16.19	10.96	5.23	47.7%
Nelson, BC	18.42	12.65	5.77	45.6%
Fraser Valley, BC	17.40	12.65	4.75	37.5%
Huu-ay-aht FN, BC	17.22	12.65	4.57	36.1%
Calgary, AB	18.15	15.00	3.15	21.0%
Toronto, ON	18.52	14.00	4.52	32.3%
Winnipeg, MB	14.54	11.15	3.39	30.4%
Edmonton, AB	16.31	15.00	1.31	8.7%
Guelph, ON	16.50	14.00	2.50	17.9%
Thunder Bay, ON	16.50	14.00	2.50	17.9%
Sudbury, ON	16.18	14.00	2.18	15.6%
Waterloo, ON	16.10	14.00	2.10	15.0%
Hamilton, ON	15.85	14.00	1.85	13.2%
London, ON	15.53	14.00	1.53	10.9%
Windsor, ON	14.81	14.00	0.81	5.8%

Sources: <http://www.livingwagecanada.ca/index.php/living-wage-communities/>;  
<https://www.retailcouncil.org/quickfacts/minimum-wage-by-province>

Ontario currently has the highest minimum wage in Canada (\$14 per hour) and therefore has the lowest average difference (\$2.25) between a living wage and minimum wage.

## Appendix 4: Worker Co-op Development in U.S. Cities

In cities across the United States, there are worker co-op development initiatives that are beginning to make inroads, and many are funded by municipal governments ([2016 Worker Cooperative State of the Sector Report](#)). A few of these cities, and some important points are listed below:

### New York City

- There are 47 worker co-ops in NYC (and 18 in Boston).
- Millions of dollars of public money and many partnering organizations are involved, particularly in NYC, because of the mayor of NYC and his transition team, which included the Executive Director of the Centre of Family Life ([www.sco.org](http://www.sco.org)), a large social service agency that became a worker co-op development centre.
- NYC provided 5 years of funding at \$1-3 million/year for worker co-op development.
- The worker co-ops don't receive the money directly, it has to flow through service organizations and this introduces red tape and potential delays.
- The City reimburses approved expenses, and therefore, organizations have to have the cash flow for 12-15 months to offer the worker co-op development services.
- Worker co-op development and technical assistance have been taken to a professional level because of this stable, multi-year funding.
- It has also helped build national infrastructure, levered foundation money, and helped with a business succession strategy, and ethnic businesses.
- There have been about twenty worker co-ops developed from 2013 to 2016 in NYC, but it is not yet conclusive regarding full-time versus part-time jobs, wage rates, industries, growth potential or survival rates.

### Madison, Wisconsin

- 12 worker co-ops
- It took one year to plan and figure out the best way to develop the worker co-ops.
- There is a lot of vetting and red tape, and funding doesn't directly reach the grassroots co-ops.

### Oakland and Berkley / San Francisco: Project Equity

- 60 worker co-ops (WCs) and 300 Employee Stock Ownership Programs (ESOPs) in the Bay Area; (LA has 4; Portland has 14; Seattle has 8 WC's)
- Worker co-ops that are trying to gain government procurement contracts are too small, in the wrong industries, and face stiff competition.
- Project Equity (PE) is 4.5 years old, and for 2.5 years they have focused exclusively on the business conversion strategy, because conversions are a faster and more stable way to get more worker owners compared to start-ups.
- It took PE 18 months to develop the business transition process, that includes: Business outreach and awareness, and an initial free consultation with business owners. PE does 80 to 100 of these consultations a year, and then finds businesses to work with that meet their criteria (20-40 year old established businesses / baby boomer businesses, or

at least those of more than 5 years duration, minimum 20 employees, target is 50 – 100). They propose a feasibility study first (mostly financial analysis and debt capacity of the future co-op). Co-op conversions are financed by debt to the company and the employees pay off a small portion of that through wage check-off. 5-7 year pay-off time mostly from the business' cash flow. PE determines what the potential sale price is and whether this fits with the debt carrying-capacity of the business. They work with a transition team of owners and employees to develop the co-op.

- If the feasibility is positive, they work on the conversation with the owner and employees. It's a 9-18 month transition program with many threads of work: membership structure, governance, patronage rebates, buy-in; legal support and financial planning with owners (their accountants). They come to an agreement about a fair price, not an outside, professional business valuation. Older business owners are a challenge because they think they deserve more for their businesses.
- PE is getting good traction with cities (which was unexpected). The question is how to reach a lot of people and create a funnel. Media and data were used to reach a lot of people (website) – the small business closure crisis – 6 or 7 studies of baby boomer businesses, created media awareness re: employee ownership and SME succession crisis.
- Need a strong business case, economic development case for the local municipality, job and capital retention.
- PE is ensconced in the big picture challenges: neoliberal economic agenda, precarious work, Trump, etc.
- Hard to hire people with governance experience and organizational development as well as business entrepreneurship experience. It's a hard combination to find.
- Interested in mainstreaming the co-op model and employee-ownership
- PE needs to build quality conversions, and then they will have something to talk about; this is their bread and butter: Creating successful conversions.
- National Centre for Employee Ownership – PE works with them. Have introduced "Democratic ESOPs" with real-time profit sharing; have proposed a few ESOPs to their conversion clients.

### Rural USA

- 41 worker co-ops
- Main – CDI – New York State and New England, rural co-op development grant (\$8 million per year)
- Venture capital is not interested in co-op investing; family foundations and impact investors are even slow to participate.
- PE: Awareness building and promotion is half of their work; and other half is direct client services.
- PE was conceptualizing its work as the co-op ecosystem (like the paper) early on, and it is important to think in a place-based way – various parties are interested in the economic development interests: municipal governments, organizations that have affinity with co-ops and workplace democracy, professionals (Lawyers, accountants, etc.).



### General - USFWC

- A Catholic foundation funded their organizing efforts for poor people and immigrants. Foundations target certain populations (e.g. black, gentrifying neighbourhoods, city urban strategy for planning and jobs).
- USFWC is becoming better known in a more general way, that is non-partisan. Rural development (e.g. refugees, worker owned co-op farms (e.g., Somalis), food justice, migrant justice). Latina members are a large membership group. Professionalizing and improving technical assistance services, attracting potential lenders, professionals (lawyers, accountants, etc).



Appendix 5: CWCF Strategic Plan 2019 to 2022

<p><b>CWCF Vision:</b> 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.</p>	<p><b>COMMENTARY:</b> Given the turbulence of the global political, social, ecological, and economic environments, it is important for CWCF to keep its focus on the long term strategies it will follow to strengthen its role as a federation of Canadian worker co-ops, and its objectives of building awareness and scaling up employee-owned, democratic enterprises. CWCF can use its heritage and foundation to negotiate alliances with others in the <i>solidarity economy</i>. This plan was written at a particular moment of time, and it is important to encourage ongoing strategic discussions and evolve and change the plan as appropriate.</p>
<p><b>CWCF Mission:</b></p> <ol style="list-style-type: none"> <li>1. To work in solidarity with our members to achieve our Vision of a Co-operative Economy</li> <li>2. To support the development of new worker co-ops</li> <li>3. To strengthen the Federation, to animate the worker co-operative movement; and</li> <li>4. To represent and promote the Canadian worker co-op movement in Canada and internationally.</li> </ol>	<p>The board of directors together with management, in consultation with the CWCF membership, will need to make the final decisions regarding the emphasis and resource allocation to the priority activities and member services.</p>
	<p><b>NOTE:</b> The strategies under "Core Activities and Member Services", plus elements in lines 35-37 can be implemented with known or likely CWCF resources. However, the strategies under Building Awareness and Scaling Up will require negotiating partnerships and raising external resources.</p>

CWCF Core Activities and Member Services				Timeframe Focus		Implementation / Action Plan	Priority
Strategies	Resource Allocation		Expense	Short, Med, Long			
	Human	+ Financial	Description	(1-3, 4-10, 10+)			
<b>Engage existing members:</b> Keep members informed and engaged using electronic communications (e-newsletter, Zoom, telephone calls, web site, social media, & Loomio), webinars, in-person visits, staff-supported regional meetings, the annual conference, and periodic member surveys. This includes Regional Federation members who seek Confederation services from CWCF, potentially including federal government lobbying and links to the international worker co-op movement.	Staff, board and regional members	\$10,000	Travel expenses and conference subsidies	Reach out annually to each member, including an on-site visit every 2-3 years.		CWCF staff, board and general members (mentors) will proactively reach out to member co-ops and member Region Federations each year. Up to \$5,000 per annum will be allocated for travel to meet with members. This will also help CWCF understand the members' challenges and direct staff or TA support as appropriate. Members want the human connection to CWCF. Focus will be communicating about existing offerings, evaluating member interest in them and quality of offering, clarifying features and benefits, and identifying other member needs. Members may want to know how they can best engage with the network and how they might relate to other worker co-ops in the network. Finding ways to expand who in each co-op is the CWCF contact might also help to build connection - e.g. conference call in to a staff meeting. Engaged Loomio participants will require a safe space for open discussion and sharing information, and this will require ground rules / ethics and excellent facilitation by staff. Members appreciate the annual conferences and they need to be made more accessible (subsidies are appreciated: additional \$5,000 budgeted per annum) with more worker-owner presenters (pay for their travel). The social aspects of the conference are vital and need space / time allocated. Local/regional coffee or pub nights (initiated by members between annual conferences) could be organized with staff support. CWCF needs to reinforce the human side of the organization and the sense of belonging, as well as <del>helping members solve practical, everyday problems in their co-ops.</del>	High
<b>Technical Assistance Program: Provide up to \$5,000</b> per eligible co-op in staged grants to hire help to address a management or governance issue in the co-op, and /or provide support from CWCF staff.	Staff and TA providers, and co-op developers	\$16,000	5 @ \$1,500, 5 @ \$3,500	Annual Review		CWCF needs to help its members succeed in their co-op enterprises. WCs need to pay living wages (at a minimum) and operate profitable businesses. CWCF will increase the TA grants for members, and consider the stage of business and market cost of quality consulting. The CWCF's annual allocation will be increased from \$9,000 to \$25,000, an increase of \$16,000 per annum, with an incremental granting process from \$1,500 to \$3,500 for a second grant. These may be tied in with matching grants through Vancity and Innowave, or other funding partners. A training component with a cohort of worker-owners needs to be considered. CWCF could partner with the US FWC's School of Democratic Management or local credit unions / larger co-ops. CWCF will need to screen the TA applications more thoroughly, and coach the members to help them improve their applications. A more ambitious funding target of \$100,000 (or more) per year could be possibly be pursued through government funding.	High
<b>Leadership focus:</b> Recruit and train for board, committees, and task groups; participatory decision-making (in-person and online); oversee a process for ED succession planning.	Staff, board and regional members	NA	NA	Ongoing		CWCF is a small organization and many of its members are strapped for time and money. Creative ideas need to be developed to support members to serve on task groups and committees, and the board of directors. CWCF can work with Loomio to incrementally experiment with its decision-making capacity. CWCF has a board matrix to ensure it meets its requirements for diversity on the board. A nomination committee of the board needs to identify and approach potential board members to recruit people who will bring new energy and meet the board matrix criteria. CWCF will specifically reach out to younger and diverse people. Board orientation and training needs to be formalized. CWCF's HR Committee presented an ED Succession Policy to the Board which was approved on Sep-21-2018. When CWCF hires additional staff members, e.g. in conjunction with Building a Solidarity Economy Vision, an effort can be made to hire a person who may be able to be mentored for the ED role when it becomes available.	High
<b>Evaluate the results of the CMC / CWCF survey</b> to determine whether or not to recruit new members from the list of 40 worker co-ops (outside of Quebec) identified by Co-ops and Mutuals Canada /CWCF survey who are not currently CWCF members	Staff and board	Not applicable (NA)	NA	Short Term		The most recent version of the survey results have identified 90 active worker co-ops in Quebec and 93 in the rest of Canada (RoC). There are also 89 multi-stakeholder/solidarity co-ops in Quebec and 26 in the RoC. The co-ops identified as non-CWCF members have to give their permission to be contacted by CWCF. These results will be available for review in November 2018. The board and staff rated this higher (4.3) than the members (3.6), because the members would like to see their own co-ops strengthened before recruiting new members, and the CWCF needs to be clear about value that CWCF can bring to new members.	Medium
<b>Improve / Increase capacity of the Tenacity Works (TW) Fund:</b> Circulate RFP for growing and/or re-purposing the Fund, including the possibility of changing the loan terms and ensuring maximum leverage from other funds.	Staff, board and members	\$5,000	Consulting	All		Some members don't apply because the interest rate (8%) is too high. CWCF has chosen this interest rate due to the high risk the Fund assumes. However, given the fact that CWCF is less dependent on interest from loans for its revenues than in the past, and that some loans are less risky than others, it would be possible to look at a variable interest rate, e.g. a range of 5 - 8%. And, unless more capital is found for the TW Fund, it is likely to be fully invested soon, so it is important to seek additional capital in the Fund. The TW Fund could be a stronger financial leverage point by maximizing outside sources of capital. For example, joint CFDC loans to WCs, or community foundations' using part of their endowment investment as "alternative investments". This would be particularly interesting to them if there are local WC businesses creating jobs and economic opportunities in the same geographic area as a potential investing CF.	Medium
<b>Carry out Political Lobbying:</b> The next federal election in Canada is on October 21, 2019. CWCF needs to strike a task group to determine the most effective political lobbying strategy that can be implemented before and after the election.	Staff, board and members	TBD	NA	All		The members rated government relations 4.3 out of 5 and view it as "a major part of future planning". CWCF needs to build on the lobbying efforts it has recently made with the Co-op Business Succession Committee and it could add some new people to that committee and strike it as the <b>government relations task group</b> to focus on the upcoming federal election. This group needs to determine the strategic priorities, policies and platform asks, and recommend them to the board of directors, along with a budget. Additional resources may be required policy research and recommendations on particular stances CWCF could take.	Medium
<b>Total</b>		\$31,000					

Building Awareness and Scaling Up Worker Co-ops				Timeframe Focus	Implementation / Action Plan	Priority
Strategies	Resource Allocation		Expense	Short, Med, Long		
	Human	+ Financial	Description	(1-3, 4-10, 10+)		
<p><b>Build solidarity with other economic, social and environmental allies</b>, and create and communicate a long-term socio-economic vision that is a sustainable alternative to capitalism and the growth of precarious work.</p>	Staff, board, members and allies	\$353,280	Please refer to Solidarity Tab	3 years	<p>The <b>solidarity economy</b> has a coherent, community-based, international vision, based on co-operative principles and values. It deliberately reaches out to likely (co-ops and credit unions) and unlikely allies (e.g., small businesses), and is very congruent with CWCF's vision, mission and values. CWCF can choose to become more involved with the solidarity economy movement, and regional co-ops can start working in their own communities with potential allies. It has the potential to be a coordinated, grassroots, movement- building strategy. CWCF needs to identify specific communities (for example, geographic, Indigenous, New Canadians), universities and colleges (staff and students), not-for-profits, community foundations, labour unions, business organizations, professionals, etc., and promote the worker co-op model and CWCF in ways that resonate directly with them (shared values and experiences). Engage in conversations that also focus on what the co-op model and employee ownership and workplace democracy can bring as a solution to the issues the solidarity economy addresses and how this may fit with other strategies. Part of this work could consist of identifying joint political lobbying pressure points to build awareness with politicians and public servants with a goal to improve the</p>	High
<p><b>Develop a pilot project for Worker Co-op start-up training</b>, possibly in Vancouver B.C., or a city in Ontario in conjunction with Ontario Co-op Association and the Réseau COOP. Target markets include millennials and social enterprise / Community Economic Development organizations.</p>	Staff, board, members and allies	\$44,957	Please refer to Training Tab	Short	<p>Vancouver B.C. has a growing eco-system for worker co-op development, including a cluster of co-operative businesses (including worker co-ops), co-op developer capacity, and potential funding and supports (Vancity Credit Union and BCCA). CWCF has \$5,000 from the Ontario Co-operative Association to translate Réseau COOP's Parcours training materials. The BCCA's Co-operate Now materials could also be adapted for employee-ownership and workplace democracy; tie in worker co-ops as a specific add on to BCCA's Co-operate Now program with possible joint funding from BCCA/Vancity and other funders. There is an additional \$10,000 budgeted for curriculum materials, instruction and CWCF needs to speak with Vancity and BCCA to discuss partnership and sponsorship opportunities. Allies could include social enterprise centres and colleges and universities. A full project budget and plan will need to be completed together with partners. Another potential location would be in Ontario, e.g. in Eastern Ontario. It's OCA which provided the funding, and the Réseau COOP</p>	High
<p><b>Develop a marketing strategy for co-operative business succession</b> (promotion and potential project identification) in Vancouver B.C. The target market is baby boomer SME business owners with a minimum of 10 employees.</p>	Staff, board, members and allies	\$77,500	Please refer to Succession Tab	Short	<p>Vancouver B.C. has a growing eco-system for worker co-op development, including a cluster of co-operative businesses (including worker co-ops), co-op developer capacity, and potential funding and supports (Vancity Credit Union and BCCA). CWCF has \$3,300 available from Vancity to promote co-operative business succession (for example, using the USA's Project Equity branding and website). CWCF needs to speak with Vancity and BCCA to discuss partnership and sponsorship opportunities. Allies could include the City of Vancouver, business associations and lawyers and accountants. A full project budget and plan will need to be completed together with partners.</p>	High
<b>Total</b>		\$475,737				



## 2018 Strategic Plan: Context and Analysis

Status Quo and Lower Priority CWCF Strategies				Timeframe Focus	Implementation / Action Plan	Priority
Status Quo and Lower Priority CWCF Strategies	Resource Allocation		Expense	Short, Med, Long		
	Human	Financial	Description	(1-3, 4-10, 10+)		
<b>Provide and promote other continuing member services: RRSP and TFSA program; Insurance programs</b>	Self-supporting	Self-supporting	NA	All	The RRSP-TFSA program is mostly used by associate members. It operates as a profitable social enterprise for CWCF and provides significant net revenue (56% of total net revenue ) to cover the annual expenses for the CWCF (80% of staff costs). Without a change to the 10% maximum investment holding CRA ruling, smaller co-ops with fewer members will not be able to access the program. Insurance programs offered by The Co-operators include Co-op Guard and the Member Benefits Program will continue to be promoted so that an increasing number of members can access them.	Status quo and growing
<b>Monitor, and continue dialogue with, CCIF</b>	Staff and board	CWCF has committed \$250K from TW Fund	NA	Short and medium	Continue to monitor and dialogue with CCIF about CWCF members, and how and whether CCIF can meet any capital needs for them as CCIF learns more about their own operation over time. Evaluate why CWCF members have not been successful and how and whether they could access these funds with additional support from CWCF and other intermediaries. CWCF has invested \$250,000 (50% of its Tenacity Works Fund) in CCIF and seeks to ensure the investment is meeting its members' capitalization and financial objectives.	Status quo
<b>Collaborate with CoopZone as appropriate</b>	Staff	NA	NA	Short and medium	CoopZone is in transition and it will be determining its own growth strategy with a new ED and a newly refurbished board. Its members (co-op developers, lawyers, accountants, and other technical assistance providers) work with all types and sizes of co-operatives, of which worker co-ops are a subset. CWCF will continue to collaborate with CoopZone (there is some overlap in members) with a shared focus on co-op development, hosting joint conferences, and other mutually beneficial initiatives.	Low to Medium
<b>Create a policy kit</b> that aligns employee-ownership with job creation and security, business succession, local food, wealth equality, climate action, reconciliation, migrant justice, etc. ; Work to promote it along with allies and potential allies, including co-operatives, credit unions, labour unions, ESOP (Employee Share Ownership Plan) Association, social enterprises, Indigenous communities, community foundations, educational institutions, faith-based groups, and federal, provincial, and municipal governments	Staff and board	TBD	Shared expenses with allies to pay a consultant and/or writer	Medium and Long Term	This is a strategy that will need to unfold as part of building solidarity with other economic, social and environmental allies and the political lobbying task group may provide recommendations to the board of directors. Follow up with federal election learning.	Low

## Appendix 6: Potential Partners and Allies

### Working Partners

- Possibility of joint regional strategies in Lower Mainland, B.C. and in Winnipeg with potential to test initiatives that could be scaled to other regions and that engage other credit union and solidarity economy allies

Vancity Credit Union  
 Assiniboine Credit Union  
 Other?

### Potential Allies

Policy (General)

- Possible progressive policy institutes that could be involved in discussions about where worker ownership fits as a strategy for addressing critical social and economic issues.

The Samara Centre for Democracy  
<https://www.samaracanada.com/about-us>

The Broadbent Institute  
<http://www.broadbentinstitute.ca/>

Canadian Centre for Policy Alternatives  
<https://www.policyalternatives.ca/>

The Parkland Institute  
<http://www.parklandinstitute.ca>

### Social Enterprise and Procurement

- Possible work with these folks to ensure integration of employee ownership and worker co-op models in their work around training, procurement, etc.

SEI (Social Enterprise Institute)  
<https://socialenterpriseinstitute.co/>

Buy Social Canada  
<https://www.buysocialcanada.com/>

SEDF Procurement Project (Ontario)  
 (collaborative effort – check in with key partners: SEI, Toronto Enterprise Fund, CSI, etc. – they are working on policy issues as well as concrete capacity-building opportunities)

### Social Innovation Thought Leadership

- Potential to work with key thought leaders around specific social and economic issues and how employee ownership might address those; lots of “influencer” value-add if CWCF can engage with these folks.

Social Innovation Generation

<https://canadabusiness.ca/starting/start-and-grow-a-social-enterprise/>

McConnell Foundation

<https://mcconnellfoundation.ca/>

### Social Entrepreneurship

- Possibility of including worker co-operatives and employee ownership/succession in communications with their respective audiences. Marjorie (last name?) at SSE is particularly keen on employee ownership. If there were a worker co-op model for a scaled enterprise that qualified as an Ashoka fellow candidate it would be intriguing, but all of their fellows are currently individual social entrepreneurs.

School for Social Entrepreneurs

<https://www.the-sse.org/>

United Church of Canada  
Social Innovation Challenge

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

Ashoka Canada

<https://www.ashoka.org/en/country/canada#>

### Student and Youth Entrepreneurship

- Opportunities here for promotion of the worker co-operative model to their respective youth audiences.

Futurpreneur

<https://www.futurpreneur.ca/en/about/>

Youth Social Innovation Capital Fund

<https://www.youthsocialinnovation.org/>

Canadian Youth Entrepreneurship Fund

<http://canadianyouthentrepreneurshipfund.ca/>

University and College Based Entrepreneurship Centres and Accelerators  
(there are various - ) check out:



Colleges and Institutes Canada

<https://www.collegesinstitutes.ca/>

### **Social Impact Measurement**

B Lab Canada

<https://bcorporation.net/about-b-lab/country-partner/canada>

3CI – Carleton University

<https://carleton.ca/3ci/projects-and-initiatives/ontario-social-enterprise-impact/>

Demonstrating Value

<https://www.demonstratingvalue.org/>

### **Business Succession**

- Allies in promoting opportunities for business owners at both the start and end of their careers to integrate employee ownership into their business models.

ESOP Association of Canada

<https://www.esopcanada.ca/>

Canadian Institute of Chartered Business Valuators

<https://cicbv.ca/>

CPA Canada

<https://www.cpacanada.ca/en>

### **Municipal Allies**

- Possible progressive ally (at least they used to be – not sure more recently) for municipal pilot projects like the ones in the US to kickstart employee-owned business development

Federation of Canadian Municipalities

<https://fcm.ca/home.htm>

### **Labour Unions and Churches**

- This would be important to research as a step in the solidarity economy initiative. One potential ally is the United Church, as they are promoting social innovation and community ownership and social enterprise strategies for decommissioned churches.



### Anti-poverty Groups

- Most of these groups have ties to faith groups as well. There are many more local and regional anti-poverty groups. Would have to explore further the tie in to worker co-ops.

Canada Without Poverty (funded by the Sisters of Service)

<http://www.cwp-csp.ca/>

Citizens for Public Justice

<https://www.cpj.ca/>

Make Poverty History

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

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