



Getting our tech together

Montréal's growing community of
IT cooperatives





INTRODUCTION

What would the IT sector look like if workers owned the companies they worked for, and democratically managed their workplaces? Montréal's numerous worker cooperatives and democratically-managed IT firms provide a sneak peek at this possibility.

SEIZE (Solidarity Economy Incubation for Zero Emissions) set out to map the worker cooperatives and other worker-controlled enterprises in Montréal's information technology (IT) sector.

This report covers a total of 15 cooperatives or worker-owned organizations on the island of Montréal that offer a variety of services, including web development, custom development, apps, technical support, video games, cooperative platforms, and telecommunications.

Cooperatives surveyed:

Radish
Zap
Eva
Koumbit
WebTV
Bon Karma
Ludociels pour tous
Soft Chaos
Code 3
Îlot Montréal
SymbioTIC
Press Start Arcade
La Guilde du jeu vidéo
Caravan
Mutualit

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A GROWING SITE OF EXPERIMENTATION AND INNOVATION

Together, these worker-controlled enterprises employ well over 100 part-time and full-time workers (at least 30 are full-time) and account for revenues of more than \$7 million per year.

Most are small enterprises: of those surveyed, 10 reported annual revenues under \$500,000. Of the remaining four, three reported revenues of over \$1 million. The majority are relatively new. Of the 15 surveyed, 12 were founded after 2012, and four were founded in the last three years.

Most reported some form of non-hierarchical decision making structure, describing themselves variously as “horizontal” or “consensus-based” or deploying techniques like sociocracy. Only one described its leadership structure as “traditional.”

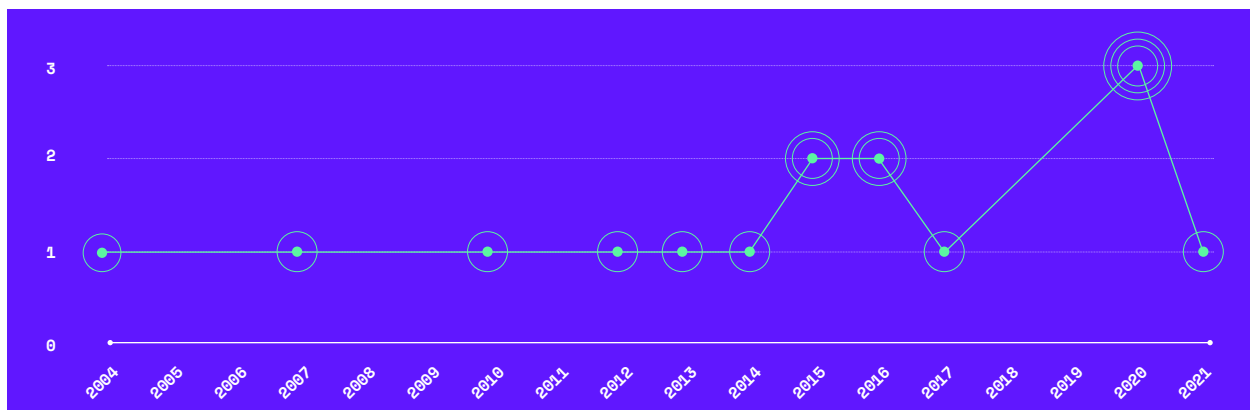
The cooperatives are using their capacities for good causes. 11 of the 15 co-ops surveyed

cooperatives said they do discounted or pro-bono work for causes they support, and five had policies in place to advance environmental or social justice aims.

Common challenges cited by respondents included difficulties finding financing for cooperatives’ startup and expansion, staff retention in a highly competitive labour market, and a lack of understanding of the cooperative model among funders, customers and workers.

Overall, what emerges is a picture of new, small worker-owned businesses that occupy a growing footprint in Montréal’s IT sector. Each one is a site of experimentation with new ways of relating to other workers, economic activity and the environment.

Number of IT cooperatives founded in Montréal, by year



THE POINT OF VIEW OF THIS REPORT

Driven by venture capital to deliver “100x” results, the dominant forces of the tech sector threaten livelihoods, [communities](#), workers’ [well being](#) and even the [planet](#). While an emerging consensus acknowledges that Big Tech is a net negative for society, it’s also becoming clear that it’s bad for tech workers themselves. Despite the higher pay one can receive to “[eat the world](#)” and “[move fast and break things](#),” tech workers are suffering through their own [mental health crisis](#).

Workers organizing to fight for their collective interests—usually through a union—is the best and most immediate response to exploitative labour conditions.

And while cooperatives can be part of that power, their most important potential is in aligning the sector with the values and interests of its workers—not investors.

Technology has incredible potential to be a useful tool in organizing equitable economies, empowering cooperation and making acts of solidarity easier and more effective.

Cooperatives have a key role to play in making that potential a reality.

For now, pools of venture capital manage big tech in the service of whatever their latest 100x scheme is. Cooperatives, driven by community and worker needs, are proof that an alternative is possible. And an organized cooperative movement could become the basis for such an alternative.

“Cooperatives interviewed identified solidarity as an essential asset to their collective success. Many received training and mentorship from their federation.”

Organizations that Support Worker Cooperatives

- RESEAU - [reseau.coop](#)
- CWCF - [canadianworker.coop](#)
- SEIZE - [solidarityeconomy.ca](#)
- PME Mtl - [pmemtl.com](#)
- CoLab - [colab.coop/about](#)

Other Regional Coop Associations:

- BC - [bccca.coop](#)
- Ontario - [ontario.coop](#)
- Saskatchewan - [cooperativesfirst.com](#)
- Nova Scotia - [novascotia.coop](#)

COOPERATIVE LABOUR RELATIONS

"We come from the video game industry, and academia," Jess from Soft Chaos told us in a followup interview. "Both of them are known for very high burnout rates and poor treatment of workers, and I think that spurred us to do something different."

Exploitation was a common experience for many who had worked in the industry before joining cooperatives.

Alienation—from work, and co-workers—was also a factor for some.

"Before this, I either worked for a studio and did not own any of what I produced," said Squinky, Jess' colleague at Soft Chaos. "Or I made things completely by myself and I owned everything, but I didn't share that, and I didn't get to benefit from other people's skill sets."

Ownership of the fruits of work has some benefits, but control of the management of that work can have others.

Cooperatives can struggle with what one respondent referred to as self-exploitation. But another way exploitation can sneak in is through relationships with non-member employees or subcontractors.

Victor from Bon Karma said that "classic hierarchical management methods" in the design industry can make for difficult work conditions, especially for younger workers.

"We are challenging and bringing innovation to this sector, particularly in terms of hours worked, recognition of these hours worked, and how we work with each other."

Coming from years of experience in the restaurant industry, Radish's Mansib said that myths of technology making everything more efficient are rampant. But

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in fact, the reliance on contractors instead of trained employees slows delivery times and adds to costs while creating exploitative conditions.

"Every time there's a mistake—let's say part of the meal was missing, which happens a lot—someone has to pay for that."

When these mistakes occur, the cost becomes an invisible subsidy to the platform. "Either the client pays, or the driver pays, or the restaurant pays, but rarely does the platform pay."

Soft Chaos has sought to address the temptation toward exploitative practices with a proactive policy. The cooperative's bylaws state that contractors cannot earn less than members. And like any worker cooperative, membership is automatically offered after a certain number of hours have been completed.

For Jess of Soft Chaos, the benefits of ownership are the core of what is appealing about the cooperative model.

"We all get to profit from our own labor and make decisions about the conditions under which we do that labor".

Mathieu from SymbioTIC said that while tech workers are often well-compensated, burnout can happen to the highly-paid as well.

“For a software developer, if you’re working under pressure, delivering and then that product goes into the garbage because the priorities shifted—it can be very demotivating.”

But while cooperative members who bring social values to their business have to balance between keeping services affordable for clients and covering rising costs of living, they make a decent living.

“We don’t want to charge absurd amounts to our clients,” Mathieu added. “So a lot of

that is on our business model and how we keep costs down. The salaries aren’t bad—they’re just not Silicon Valley salaries.”

There is potential for collaboration with labour organizers in the sector. Game Workers Unite—a democratic organization that supports union organizing in the tech sector, cited by Soft Chaos as a collaborator—posted an [introduction to worker cooperatives](#) on its website last year. It concludes:

In recent years, Québec has seen quite a few worker cooperatives crop up in the videogame industry, and many more are coming! Some of the workers who work at these studios are members of GWU Montréal, and we would be very happy to help you start your own worker cooperative or transform your business into one!

“The salaries aren’t bad—they’re just not Silicon Valley salaries. We don’t want to charge absurd amounts to our clients, so a lot of that is on our business model and how we keep costs down.”



Soft Chaos

How to describe Soft Chaos without invoking a Swiss Army Knife? Digital, design, games and educational workshops... Jess, Allison and Squinky have creativity to spare, and bring a bit of whimsy to every project. Their goal? To stimulate empathy and bring us closer together. The three inseparable friends launched Soft Chaos in 2021, after several years of collaboration. The cooperative’s worker-members previously worked for UNICEF, Microsoft and Montréal video game studio Ubisoft.

COOPERATION BETWEEN COOPERATIVES

The very fabric of the cooperative movement is the alliances, collaborations, friendships and yes, business deals that cooperatives form between each other. Living the [sixth cooperative principle](#) is how tech cooperatives survive in a competitive industry.

Here are some ways that IT cooperatives in Montréal are cooperating with each other.

Soft Chaos, a coop specializing in games, design and educational workshops, is embarking on a collaboration with Press Start Arcade Youth Co-op, a youth-led space in Pointe-Saint-Charles that offers a variety of arcade and retro video games. Press Start creates opportunities for young people to gain skills and to make a difference in their community. The two co-ops joined forces around a shared vision: using technology for emancipatory and anti-oppressive purposes.

They plan to move into the same building, share costs, and organize events. First up: game creation workshops for young people.

Complementary skillsets can fuel fruitful collaborations. Bon Karma, a cooperative specializing in graphic design, cannot answer its clients' needs in some areas of communication, which is why it receives help from Collaboration Spéciale—a communications consultancy cooperative—for video, marketing and digital strategy.

Bon Karma also received support from Percolab, an organization that has many cooperative features despite not being a cooperative itself, to learn about non-hierarchical management.

A key challenge identified by cooperative members interviewed for this report was the lack of familiarity with cooperative

Soft Chaos and youth-run cooperative arcade Press Start have started a long-term collaboration.



principles and practices among workers and other businesses. Even among cooperatives, partnerships require time, financial outlays, frank conversations about values, and trust.

While mutual aid is a crucial component of inter-cooperation, the dedicated attention and resources of a federation are key, especially in the early days. Many received training and mentorship from Réseau COOP, Quebec's worker cooperative federation.

Cooperatives interviewed identified this form of solidarity through mentorship as an essential asset to their collective success. Informal mutual support is also widespread. Montréal's tech cooperatives frequently reported sharing their bylaws, tips on getting started and best practices with other cooperatives.

Collaborating on contracts or service offerings is another way intercooperation could

strengthen cooperatives in the IT sector. Two-thirds of co-ops surveyed said they had already teamed up with others, but the ideal of cooperatives working together in unison, faces many challenges.

Multi-million-dollar contracts and public bids are often inaccessible to smaller organizations. 40% of those surveyed coops reported bidding on public contracts, and some expressed interest in teaming up to take on bigger jobs.

A member of SymbioTIC, a cooperative specializing in constituent management systems, manages small projects for the city of Montréal. But those contracts are small and don't require a public bidding process.

Marché Radish



Offering a Montréal alternative to the big home food delivery platforms: that's the challenge facing Radish, the cooperative that aims to make the sector fairer by paying restaurateurs and delivery personnel a fair price. Express orders and weekly baskets are delivered to the four corners of the island, in Laval and on the South Shore. But Radish isn't just about fresh food delivered to your doorstep. It's also about a team of engineers who work hard behind their screens to meet the diverse needs of the local businesses in its network.

Bon Karma

Imagine a company that chooses its customers instead of being chosen. Realistic? Bon Karma thinks so. The graphic design cooperative founded in 2020 reverses the traditional balance of power to work only with positive-impact customers aligned with its values. In an industry where conditions are not always ideal, Bon Karma has created space for a passionate, rested team.

bon karma

COOPERATION BEYOND COOPERATIVES

Free and open source software (FOSS) development has a strong cooperative ethos. An animating FOSS [precept](#) is that overall, cooperation and common ownership have better results than private ownership.

SymbioTIC is one of many companies and cooperatives that have based their business model on providing services built on open source software—in this case CiviCRM, a Constituent Relations Management (CRM) system.

By selling services that run on CiviCRM to a variety of clients—including non-profits, businesses and cooperatives—while contributing to the CiviCRM community, SymbioTIC acts as a conduit of cooperation. Resources are pooled from hundreds of organizations for the common benefit and their own benefit in a way that transcends any individual's control of the process.



SymbioTIC is far from the only company or cooperative to have a FOSS-based business model. And even if organizations like SymbioTIC are not explicitly promoting the cooperative model, each business relationship or participation in a community of coders will raise the profile of the cooperative model in the sector.

The level of collaboration among tech cooperatives in Montréal is high. 100% of those who responded to the survey said they collaborated with other cooperatives, 100% had collaborated with one or more non-profits, and two thirds said they had collaborated with universities.

Some of those interviewed said that knowledge of the cooperative model was often limited in the broader workforce. Existing collaborations could present additional opportunities to broaden knowledge of future cooperative members and collaborators.

Getting people oriented to cooperatives early in their careers could help in the long term. 40% of respondents said they accept interns, and many said they're open to or seeking new collaborations.

One potentially fruitful avenue would involve increased cooperative visibility inside universities during job fairs and in classrooms, helping to demystify the model for those entering the workforce. One interviewee suggested that knowledge of the cooperative model should be more present in CEGEP and university curricula.

GUIDING THE HAND THAT FEEDS

When it comes to government policy, cooperatives tend to fall through the cracks. Some cooperatives surveyed expressed frustration about eligibility for various support programs such as the Canada Council of the Arts, tax credits for tech startups, and tax credit for research and development.

With the relative marginality of the cooperative model, some eligibility issues could potentially be fixed by additional lobbying on behalf of cooperative federations, which do significant work to ensure that cooperatives are represented in the vast web of government programs across all sectors.

One coop reported difficulties with Quebec's 1982 Cooperatives Act. In contrast, the 1998 Federal Cooperatives Act provides more flexibility for the high amounts of early financing required for tech startups. The cooperative in question switched, but at a cost of thousands of dollars and almost a year of delays.

As Montréal's cooperative tech sector grows and matures, one area of policy that could be increasingly promising is [procurement](#). In the US and elsewhere, several cities (including Cleveland, OH, Richmond, VA and Rochester, NY) have provided financing to worker-owned cooperatives that can bid for contracts from



The Evergreen Cooperatives in Cleveland provide food, laundry and electrical services to key institutions like hospitals and universities. Could Montréal's cooperatives supply a greater portion of the city's IT needs?

city departments and anchor institutions like Universities and Hospitals. Other cities (Oakland and Richmond in California's Bay Area) tilt the playing field toward worker cooperatives. Still others (Austin, TX, Madison, WI, Minneapolis, MI, New York, NY) have sought to stoke their cooperative ecosystems.

Cooperatives have opportunities for support and financing at all levels of government in Quebec, but procurement policies and targeted financing could open up new avenues for worker ownership in Montréal. For municipalities and even provinces, it could mean that more of their money stays in the area: salaries spent on local services and taxes instead of profits sent offshore.

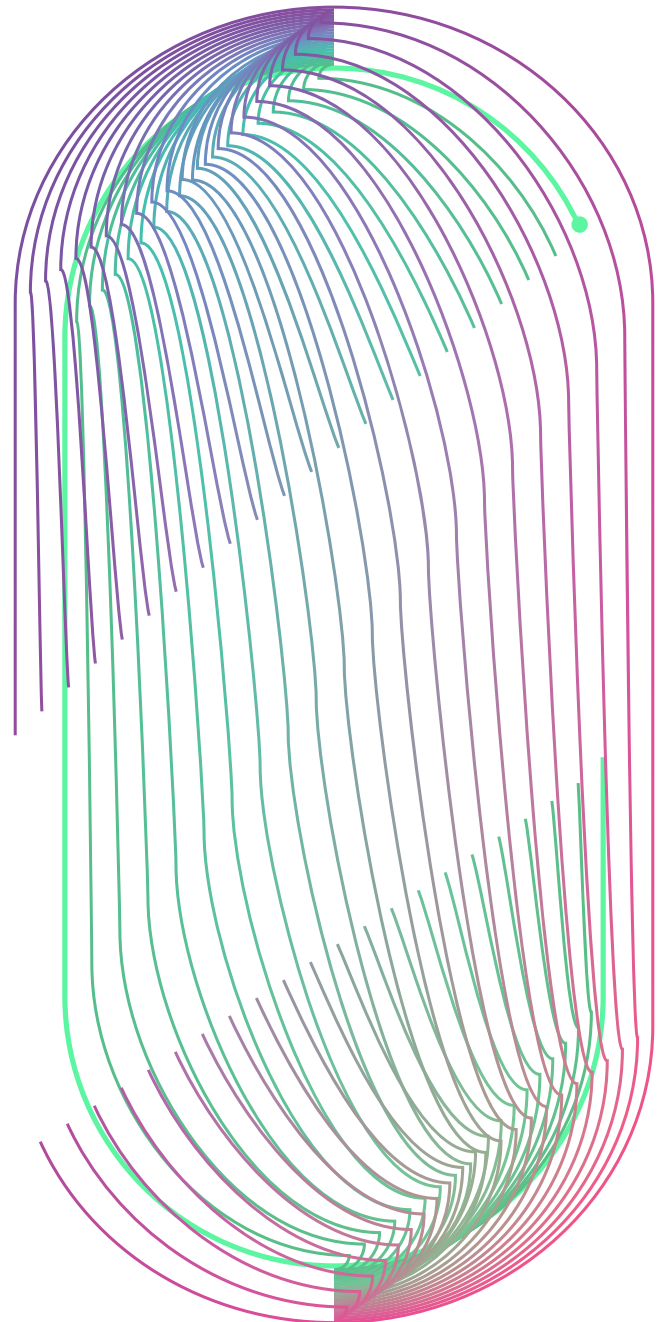
VISIBILITY AND EMPOWERMENT FOR TECH COOPERATIVES

As tech grows in its influence over our daily—cultural, intellectual, intimate and political—lives, tech cooperatives are also growing. And as generational turnover coincides with climate change and rising inequality, cooperatives represent a means to do things better across the board: for healthy humans and ecological systems, for communities and individuals.

New crises will see the need for new kinds of institutions and organizations. The more healthy and well-organized the cooperative sector is, the better it will be placed to transform upheaval into positive change.

Tech cooperatives in Montréal are already very well connected. Additional organizing can strengthen existing cooperatives through mutual support and bolster the emergence of new cooperatives through community building, education and political advocacy.

The more visible tech cooperatives are to each other and to potential allies, the better equipped we will all be to build alternatives to the capitalist tech sector—otherwise known as Big Tech.



**GETTING
OUR TECH
TOGETHER**



**SOLIDARITY ECONOMY INCUBATION
FOR ZERO EMISSIONS**

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