

COOPÉRATIVE DE TRAVAILLEURS D'AMBULANCE DE L'ESTRIE (CTAE)



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CONVERSION TYPE

- For-profit to co-operative conversion: Sole proprietorship to worker co-operative

SECTOR

- Ambulance services

APPUYÉE PAR

- Fondation, Investissement Québec, Coopérative des Ambulanciers de la Mauricie, Caisse d'Économie Solidaire, MCE Conseils

RETOMBÉES POUR LA COMMUNAUTÉ

- Quality ambulance services

Timeline of Conversion

GENERAL CONTEXT

- Unionization movement of paramedics in Quebec in the 1980s under the *Confédération des syndicats nationaux* (CSN).
- Paramedics expressed their desire to negotiate directly with the government, rather than with private companies holding ambulance licenses. So, the Quebec government became the one and only customer of ambulance enterprises.
- Quebec is home to 23 private, independent ambulance enterprises spread across the province. The complexity of ambulance services accounts for 80% of congestion in hospitals. Undesirable working conditions for paramedics are also part of the problem, starting with lack of training, very low wages, and obsolete equipment as well as considerable loss of profits, leading owners to consider selling their ambulance enterprises.

- The great need for network unification led to the idea of setting up co-operatives that would allow for a gradual buyout of ambulance enterprises. This is the plan that workers chose, which they considered to be the most efficient and profitable.

SPECIFICALLY IN ESTRIE

- In the late 1960s, Ambulances Isabelle de Magog Inc. and Sécurité de l'Estrie Inc. were responsible for ambulance transportation in Estrie. They merged in the 1980s to become Ambulance de l'Estrie Inc. (AE.)
- In 1999, the Coopérative des Ambulanciers de la Mauricie (CAM) completed the acquisition of AE to operate it as a subsidiary, pending its conversion into a worker co-operative.
- In 2005, the CAM, bound by the obligation of its funding partners to convert AE to a co-operative model within a reasonable timeframe, launched a five-year process to convert AE into a co-operative. Starting as a worker-shareholder co-operative owning shares from 2005 to 2010, AE finally converted to a worker co-operative during 2010 and became the first worker co-operative to own shares in the ambulance sector to successfully complete a full business buyout.

Key Lessons From Conversion

- AE's successful conversion into a co-operative can essentially be explained by the various contributions of Fondation and MCE Conseils. Without the involvement of these two organizations, the conversion process would have been significantly delayed.
- Unionization and co-operation were two additional key factors in the conversion.
- The process was greatly helped by the political will at the provincial level to better structure the ambulance sector.
- The presence of a union in favour of the co-operative movement played an important role in the decision to convert the business into a co-operative.
- The creation of a worker co-operative owning shares as a transitional conversion stage allowed paramedics to be informed, trained, and involved in a more sustainable way. It also provided the time needed to successfully complete the conversion steps.

Key Challenges and Responses

CHALLENGES

- Resistance from CAM before the arrival of new management.
- Paramedics' limited knowledge of co-operative governance and entrepreneurship.
- General lack of awareness of the co-operative model among future members.
- Numerous financial concerns from paramedics.
- Difficulty in finding a financial model that suited all parties involved.

RESPONSES

- MCE Conseils, a team of credible and experienced advisors in management, governance and cooperative conversion, helped consolidate the cooperative members' knowledge in this area.
- The financial package developed by Fondation reduced the net cost per member.
- The initial acquisition of the business by the CAM allowed the conversion to a cooperative to take place over a longer period of time.
- The passage through a worker cooperative shareholder allowed for a progressive purchase of the company's shares.
- Proactivity, involvement and desire of the ambulance drivers constituting the core group to take charge.



source : www.ambestrie.com