

#	ARGUMENTS MADE BY CFUW STRAFORD	RESPONSE FROM CFUW ST.THOMAS
C.1	The motion rationale stated that CFUW dues account for “50% of dues submitted to GWI and approximately 40% of the GWI budget.” Information received from GWI President Catherine Bell stated that GWI’s “2015 unaudited accounts show that CFUW dues accounted for 39.5% of GWI dues income and 29.4% of total income”	Our statement is correctly documented and cited from <i>Light Favors Clarity</i> by our CIR Cheryl Hayles dated August 11, 2015. It is based on the comparable exchange rates in Canadian and American dollars, (not Swiss francs) of 2014. The GWI response is in a document produced in March 2016 based on 2015 figures in Swiss francs, and long after the rationale was written and distributed. ¹
C. 2	To say that CFUW can better achieve “its” international goals without being a part of GWI is to miss the point of being part of an international federation.	We continue to maintain that a democratically run Canadian non-profit headquartered in Canada would not spend 72% on administrative costs, while with more revenue going to projects, and with new international partnerships, could accomplish more on both the national and international fronts.
C. 3	The statement in the motion rationale that “ GWI’s budget is for operating the office in Geneva and not supporting initiatives that support women and girls” is contradicted by a list of recent GWI activities and achievements that includes capacity building workshops in 10 countries, policy seminars, UN advocacy, fellowship awards, bringing on 7 new NFAs, developing new projects in Uganda and Rwanda, and more.	<p>The statistics from the March 2016 financial statement (cited in C.1) reveal that 72% of expenditures are committed to General Admin., the bulk of which are Salaries and Social Benefits. The 2014 report further defines General Admin as being, in addition to salaries and social benefits, “Office rent and upkeep, Equipment and maintenance, General Administration, Staff Training, Bank Charges, in other words for operating the office in Geneva.</p> <p>CFUW St. Thomas continues to believe that supporting any non-profit whose administration expenses exceed even 50% is a waste of Canadian dollars and would not meet Canada Revenue’s requirements for charitable status.</p> <p>Finally, it is misleading, to claim an addition of 7 new NFAs, when there seems to have been actually a net loss of at least 7 countries. ² One of those lost, the Netherlands, had 3624 members while Germany had 520. The remaining five have a total of only 246 members. The total loss of dues-paying members is therefore 4390. We doubt that the 7 new/returning NFAs have enough members to equal those lost.</p>
C. 4	It is misleading for the motion rationale to imply that GWI has no fundraising plans or unclear plans because GWI decided it was not prudent to share the fundraising strategy document. It is an exaggeration to say that there is “a lack of clarity and transparency in IFUW/GWI’s fundraising plans or finances.	This is similar to the misreading that we imply a failure to follow Swiss law about which we know nothing. At no point do we suggest there was not a fundraising plan, just that CFUW national and CFUW St.Thomas did not know what was in it, because GWI twice refused to share it. We stand by our claim that the fundraising plan was most definitely lacking in clarity and transparency. A lack of clarity continues in 2016 as we have no idea of business plans, fundraising plans, or staffing policies or even how many new members have been acquired at GWI.
C. 5	Less than three years is a short timespan to reorganize and modernize an international organization.	We continue to maintain that a timespan of three years less two months (the June date of CFUW’s AGM) is NOT too short and do not consider it a sufficient excuse either for the present financial reality nor the licence taken with constitutional matters in the past 3 years (less two months) since the last triennial.

C. 6	The motion rationale states that the American NFA withdrew from IFUW when an agreement “to work on a long-term solution for IFUW/GWI’s ongoing failing financial situation failed to materialize.” No source is provided. We see no evidence for linking the AAUW’s withdrawal from IFUW to inadequate financial management at IFUW.	The ongoing financial difficulties of IFUW have been thoroughly documented at least three times, first in Edith C. Batho “A Lamp of Friendship: 1918-1968, A short history of the IFUW. The exact quote “to work on a long term solution...” is found in Fact Sheet #1 Overview of GWI/CFUW by CFUW board of directors, and cites several sources, and the same sentence is repeated again in Fact Sheet #3 by CFUW parliamentarian Elizabeth Haynes. Following a time-honoured tradition in academia and newspaper publishing, we did not feel it necessary to give yet another citation.
D.1	The motion rationale contains an alarming number of inaccuracies and overbroad statements.	<p>When the advocacy committee of CFUW Stratford sent questions based on our amendment to GWI, they set the whole weight of an international organization to finding errors in the amendment rationale and its 36 citations. We three women, from a small club in Ontario, admit that they found an error in an adjective and two typos. They also found a sentence out of order chronologically in the background, not the rationale. The error in the adjective led to a conclusion that was corrected within one day of learning of it. <i>None of these errors contradicted or negated the substance of our basic arguments that GWI has behaved undemocratically, with fiscal irresponsibility and with few benefits to Canada.</i></p> <p>We trust the refutations in this document will convince readers that all other accusations were unfounded. We cannot defend against overbroad statements without a citation to one being given. We find all other claims in our rationale to be accurately cited and documented. ³</p>
D. 3	The motion rationale asserts that the treatment of the Canadian leadership by GWI has at times been “Hostile, dismissive or downright insulting. “We are concerned that the inclusion of potentially inflammatory statement could be interpreted as hostile and dismissive of the GWI Board and Staff.	The following responses to respectful CFUW questions did indeed leave us with questions about the intent of GWI Board and Staff when dealing with their largest contributor. First was the dismissive refusal to answer a point of order motion until it was too late in the process, first requesting a withdrawal of the motion “as elegantly as possible.” Second was the hostile refusal to share fundraising plans after first agreeing to do so, and finally the downright insult to Manitoba. All are correctly cited in the Going Forward documents from GWI.
D. 4 & D. 5	<p>We believe that a balanced view of the relationship between CFUW and GWI should include more information about how our membership provides support to NFAs in developing countries and the impact of that support.</p> <p>Recent discussion about whether CFUW has similar credentials at the UN on its own and how it can maintain UN involvement without membership in GWI has ignored the issue of the difference in who CFUW represents at the UN (8,500 Canadian members) and who GWI represents at the UN (18,000 members from 100 countries including Canada).</p>	A response to these points has been answered elsewhere in this document regarding constitutional and fiscal mismanagement that has led to most of our dues going on administration rather than helping women and girls in developing countries. (See C 3) At the risk of being repetitive, we are confident that our Canadian membership can spend fewer dollars while accomplishing more, both nationally and internationally.

D. 6	The mention of other NFAs withdrawing from IFUW/GWI (the Netherlands, Germany, the United States) <i>clouds the picture without providing any evidence that these decisions had anything to do with improper actions by IFUW/GWI or with the reasons put forward in this motion rationale</i> for CFUW to withdraw.	CFUW St.Thomas included this information, <i>not to cloud the picture, but to demonstrate that there are precedents of NFAs with large memberships withdrawing from IFUW and thus affecting the GWI budget by losing large numbers of dues-paying members.</i> ⁴ The rationale never claims that those decisions to withdraw were because of “improper actions by IFUW/GWI” nor does it claim that Canada’s reasons now are the same as those other NFAs.
D. 7	GW I has very recently circulated a proposed amendment to the dues formula that, if approved at the upcoming GW I Triennial Conference, would see CFUW’s per member dues increase from 15.5 Swiss Francs to 30It would be wrong to use this proposed dues increase (not yet debated or passed) to support this motion with all the weaknesses in the motion rationale as presented....	<p>See our response to (B6) regarding the revealing fiscal responsibility statement in the GW I’s February 17th, 2016 “Dues Increase Rationale”</p> <p>It is somewhat absurd to accuse CFUW St.Thomas of intentions of wrongly using a proposed dues increase about which we knew nothing when the amendment was written.</p> <p>We also believe, however, that this rebuttal finds substantially more weaknesses, misreadings, and inaccurate claims in the Stratford document as well as the GW I Responses on which it is based, than those in the CFUW St.Thomas rationale.</p>
D. 8	We have found that the CFUW audited financial statements show that CFUW investments increased from \$315,000 in 2011 to \$721,000 in 2015. CFUW does not pay GW I dues for non-degree members, but still collects the GW I portion of the membership fee from non-degree members. With about 310 non-degree members, that would amount to approximately \$6,000 per year.	CFUW St.Thomas applauds CFUW National for its investment income and the good financial stewardship of the National organization. Withdrawal from GW I would mean that CFUW National could collect the equivalent in GW I dues for all members (not just the 310 non-degree members) and would gain approximately \$172,697.00 per year (Pre-Budget Consultation Paper) kept for CFUW goals and projects, both national and international.
D. 9	CFUW financial statement show that \$25,548 was drawn from reserves in 2015 with 21,000 used for preparation for CFUW’s 100 th anniversary, a much greater amount than was needed to cover the shortfall in GW I dues.	We regret the necessity of removing money from reserves that were set aside for future celebrations but approve CFUW’s fiscal responsibility in having the three-year foresight to have such reserves in the first place.
D. 10	CFUW members who are serving on the Board of GW I reported at the 2015 CFUW AGM and did not express any concerns about GW I’s financial management.	CFUW St.Thomas considers that this statement reinforces the rationale’s comments on the lack of transparency and reliability of financial disclosures from GW I, especially given the warnings of the auditors in the 2014 IFUW Annual report. At the time of this refutation’s creation, GW I has not yet revealed the auditor’s report in the 2015 audited final report, promised for April 2016.
D. 11	Our Advocacy Committee sees no risks to CFUW in continuing its membership in GW I and in participating in the 2016 Triennial Conference.	CFUW would obviously not have proposed this amendment if we agreed with this statement but would have heeded warnings that it was premature.

		<p>When CFUW St. Thomas voted for proposal one, we were confident that streamlining, modernizing and seeking large funders would lead to less dependence on our dues. Like many small clubs throughout Canada who are heavily involved in local issues, not GWI, we believed our dues to international were our contribution to international needs and that our money was being well spent. We were obviously wrong. We did not foresee the constitutional difficulties, the proposed doubling of our dues, the rising franc or the falling loonie or even the enormity of the deficits and fiscal irresponsibility of GWI. We have learned our lesson and applying best practices that demand future risks be addressed, the following is a summary of our reasoning.</p> <ul style="list-style-type: none">• There is a risk that many NFAs at the triennial two months after our agm will vote in favour of the dues increase and quite easily win in spite of Canada’s ten votes. We have no guarantee that GWI will not continue assigning voting delegates from NFA board members as well as CIRS rather than allow abstentions. We have been outvoted twice this past year in the electronic voting. Even if the increase were not passed or amended in some way, some increase is obviously necessary for GWI to continue and would not address the deficits. Our dues would have to be paid the first of January 2017 and in our view would represent throwing away money that could be used better to support our goals.• CFUW has listed several possibilities for reducing its budget to accommodate the increase. CFUW St. Thomas finds that the disadvantages listed far outweigh any advantages.• There is a risk that even if a smaller increase of dues were negotiated to meet the new demands of GWI, CFUW will lose members, especially in small clubs in economically depressed cities such as our own. Canada is a huge area with many diverse economic areas and while a dollar means one thing in large urban areas, it means something quite different in economically depressed provinces, cities and towns in more rural areas like our own.• Even if a new constitution provides more democratic processes, there is no guarantee that GWI will feel obliged to follow them. See our response to A 1 and A 5. Ends do not justify means.• Given that GWI has lost 4390 dues-paying members in the past year, and that fixing the deficit spending would require an increase of every member’s dues to quadruple the amount now being paid, not to mention the 72% of our dues going mostly to salaries and benefits, we continue to find GWI’s financial position untenable.
--	--	---

		<ul style="list-style-type: none">Democracy is a long process. Amendments to constitutions take time and a lot of research from both proponents and opponents. Delaying our decision two more months would mean being unable to change our constitution possibly until 2018 if annual agms became a cost-cutting measure. CFUW St. Thomas sees no point in waiting to sever our connection with an organization that we truly feel we have not abandoned, rather that, in our opinion, has abandoned us.
--	--	--

ENDNOTES

1. Using the 2014 GWI annual report, the total NFA dues collected was 333,831 Swiss francs or \$330, 285 US dollars, (using exchange rate given in Annual report where 1 US dollar = 0.98938 Swiss francs). Dues submitted by CFUW in 2014-2015 year was \$152,836 CAD (taken from Prebudget consultation paper March 14-2015) which is \$138,380.25 USD (using Bank of Canada average 2014 USD to CAD exchange rate where 1 US dollar = 0.895536 CAD). Looking at a comparison where the **same currency values are compared**, \$138,380.25 USD (CFUW’s contribution) is 39.475% of \$330,285 USD (total NFA dues collected by IFUW). The 2014 annual report is available on the GWI website.

The most recently released 2015 year- end financial report of March 3, 2016 states that the total Expenditures for 2015 totaled CHF 685, 970, and explains that “the main cost item was **General Administration** with CHF 493’077 or **72% of Total Expenses, the bulk of which being Salaries and Social Benefits** (CHF 424’015).”(2016 03 09 EVN Financial report FORMEMBERS.PDF32. The Financial report cited here was sent to all NFAs and distributed to all Canadian clubs by our CIRs in March of 2016. At the time our amendment was written GWI had notified CFUW that the year-end report would only be made available in April after it was audited.

² **The annual report for 2014 lists 62 member NFAs, the current April 7 2016 list on the GWI website lists 58 member NFAs.** We do not yet have the 2015 annual report. In the lists sent by GWI to CFUW in April 2015 with the list of membership numbers and May of 2015 with the list of delegates, **there are 64 countries listed**. See Going Forward, Questions to IFUW_GWI April 4, p.5, available on the CFUW website. We count a total of 7 countries lost in the past year. They are Armenia, Croatia, Germany, Indonesia, Netherlands, Pakistan and Tonga. We are uncertain of the status of Greece, Tajikistan and Lithuania who are not listed in the September 16 2015 document “National Affiliates belonging to GWI and Number of Votes.” Those three reappear on the current list April 7, 2016 on the GWI website.

³ None of the documents that have flowed from GWI since our original amendment was written affect our arguments, and some actually strengthen them, especially the financial statement of March 2016, cited above in endnote 1, and the Rationale for the dues increase listed on the CFUW admin site under Articles and Bylaws.

⁴ See the paragraph before endnote 33 in the rationale.
