



Canadian Centre for
Policy Alternatives
Manitoba Office

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May Day 2013 Another World is Possible

As we digest the news coming out of Europe, with millions of people out of work at the same time as austerity measures are shutting down the social programs they need more than ever, it is hard not to be worried about the future.

Closer to home, the economy remains sluggish and household debt is at an all-time high as workers struggle to stretch stagnant wages as much as possible. Locked as we are in the aftermath of a global recession we all feel powerless: how can we take control of our lives? How can we put a sense of purposefulness into our work? What happened to community and how can we get it back? Bad as the news is, we can take hope this May Day that another world is possible.

There are examples close to and far from home that demonstrate that workers can take control of their lives. Whether it be through large-scale cooperatives - some supported by the labour movement, or through one-off co-ops such as we see developing in Winnipeg, we need to take heart that we can take control in a meaningful way. The following three examples explain how.

Starting in the 1980s in Quebec, an energetic program of social mobilization supported by organized labour, the state and other social movements was able to build new legal, financing and technical assistance models for cooperative development. Part of the regeneration of the Quebec co-operative movement during the 1980s was due to the support of and ties with the labour movement, which was ready to partner with the co-operative

sector, and the state. These organizational connections between the co-operative sector and the trade union movement have translated in more support for both movements with the creation of a venture capital fund. For instance, the Chantier de l'Economie Sociale Trust is a fund supported by Canada Economic Development, Fonds de solidarité (a labour-sponsored venture capital corporation), Fondation - Fonds de développement de la CSN pour la coopération et l'emploi (a labour-sponsored development fund), and the Government of Québec. This fund finances collectively-run businesses, co-operatives and social enterprises.

Today the cooperative sector in Quebec has 3,500 co-ops and employs around 100,000 workers. Worker co-operatives seek to provide stable employment, better wages and working conditions. A private enterprise, on the other hand, strives to buy labour at the cheapest possible price in order to keep costs down. In contrast, worker co-ops, with their one-member, one-vote model, are an example of economic democracy which allows for the ownership of the means of production by the workers. In this way, workers participate in the management and decision making of the enterprise.

As manufacturing in the United States continues to shrink, the United Steel Workers (USW) is exploring new strategies for saving jobs. They are considering using employee-run businesses to create new, middle-class jobs to replace union jobs gone overseas. For example, the USW is considering the replication of the Evergreen Cooperative model, which was started in Cleveland in 2008 in response to the high

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unemployment left by the economic downturn. Foundation money, public funds, and private investment capital helped get the model going. The Evergreen Cooperative Initiative creates living-wage jobs in Cleveland's low-income neighbourhoods and has become known as the "Cleveland Model". The model is being considered in other American cities that have suffered manufacturing job losses. The Initiative considers strategies to confront several difficult economic problems such as:

- How to create decent jobs in an increasingly difficult economic environment with growing job dislocation
- How to anchor capital in low-income neighbourhoods
- How to implement green jobs
- How to rebuild inner-city economies.

Strategies aim to increase community asset ownership, create local jobs, strengthen the local tax base and overall, ensure local economic stability. This model already has support from various sectors, so if unions like the USW get involved, the potential for expansion will be even greater and may help revitalize the union sector.

These two examples suggest that there can be valuable connections between various sectors to keep jobs local, tie new businesses to existing city institutions and give workers a voice in decision-making and an ownership stake in the means of production. There are less-extensive, but equally important worker cooperatives right here in Winnipeg that are also making a difference.

Neechi Food Co-op Ltd. (325 Dufferin) is an Aboriginal worker-owned and run cooperative that has been operating in Winnipeg's North End for over 23 years. Neechi uses its worker/ownership structure to foster a strong sense of community identity and responsibility. Neechi Foods Co-op developed the new Neechi Commons Community Business Complex, located on Main Street, which houses a new expanded grocery including

a cafeteria/restaurant, a bakery, fish market, specialty foods, Aboriginal books, arts and crafts, a farmers market and a hardware and dry goods section.

With community economic development (CED) at the core of Neechi's operations, one of its mandates is to stay in the North End, an area that private enterprises have abandoned. Neechi Commons' goal is to have a noticeable positive impact on Main Street and the North End where many Aboriginal families reside. It plans on providing employment to local workers, with up to 30 new fulltime and 30 new part-time jobs being created. By selling locally harvested and produced foods such as wild rice and bannock, it will also promote regional economic development.

As in the previous examples, various institutions contributed capital financing to get this initiative off the ground. The Winnipeg Partnership Agreement, federal and provincial governments, and St. Mary's United Church contributed capital financing and both co-op members and non-members have purchased shares. The Assiniboine Credit Union, The Jubilee Fund, the Canadian Worker Co-operative Federation and Co-op members have also provided loans. The Assiniboine Credit Union, a member-run co-op in its own right, played a key role in starting and supporting Neechi Foods throughout its evolution.

There are other workers co-ops in Winnipeg, including Organic Planet Co-op, Mondragon Workers Co-op, Natural Cycle Courier, and Northern Star Worker Co-op, among others.

What better way to mark this International Workers' Day than to celebrate the resilience and resourcefulness of those workers who have taken control of their workplaces, lives and communities. In the face of so much bad news, they remind us that another world is possible.

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