



Canadian Worker Co-operative Federation E-Newsletter

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www.canadianworker.coop

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2010 CWCF Conference in Bowen Island

This year's annual CWCF Conference is from Oct 28 to 30, 2010 in Bowen Island, British Columbia.

Thank you to all participants and presenters for making the 2009 CWCF Conference a success, and thank you to our sponsors for making it possible. CWCF held its 2009 Conference in Moncton, NB, November 19 to 21.

The Conference theme was: from Crisis to Recovery!: how worker co-ops can be part of the solution, can survive and even thrive in times of economic and environmental crisis such as the current period. The program included a live video feed from the CICOPA International Worker Co-operative Conference which took place simultaneously in Geneva, Switzerland. The keynote speaker was Elizabeth May, leader of the Green Party of Canada, an inspiring speaker who is dedicated not only to the environment but also to co-operative values and principles.



David Daughton - Award Winner

There were many workshops of practical use to worker co-operators: from dealing with retirement of worker-owners, to financial models, to carbon accounting -- and more! The Worker Co-op Merit Award winner was David Daughton of PEI.

To view Conference notes and presentation slides visit our website at www.canadianworker.coop. To see photos please visit our Facebook page (and become a fan too). Note that you need to have a Facebook page in order to view this.

CWCF News Briefs

The highlights at the Canadian Worker Co-op Federation (CWCF) over the past few months have included:

- Welcome to our e-Newsletter! This is the first issue of our new bi-monthly newsletter. Please feel free to forward it to others in your organization and to others who may be interested. We would like to invite you to submit articles, photos and suggestions to us.
- We re-established the CWCF's Co-operative Development Initiative (CDI) - Advisory Services program through which we offer services

to worker co-ops in development, both start-ups and existing co-ops. If your co-op needs assistance, please contact us. If you would like to know more about the CDI program, either the Advisory Services component or Innovative Co-operative Projects, please see: www.coopscanada.coop/en/coopdev/CDI or www.canadianworker.coop/funding/cdi.

- We launched our new web site (www.canadianworker.coop) in English and in French.
- The CWCF Board held an all-day workshop, facilitated by Financial Officer Peter Hough, on how CWCF could help to grow the worker co-op movement faster and more effectively - including assisting our member co-ops to grow. A major theme which came out was that we need to communicate more effectively both with our members, and with many different target audiences - hence the next item.
- We hired a Communications and Member Services Manager, David Wilson, who among many other roles is the editor of this e-newsletter.
- We assisted with the incorporation of CoopZone, the Network of Co-op Developers (www.coopzone.coop), which CWCF is managing on contract to the CoopZone Board. CWCF's Worker Co-op Developers' Network has been integrated into the CoopZone Network. The Worker Co-op Fund, **Tenacity Works**, is an investment fund whose purpose is to create new or expand existing worker-owned co-operatives in all regions across Canada. Tenacity Works is owned and operated by the CWCF. As a revolving loan fund, Tenacity Works usually has funds available for making loans. Funds are used to invest in worker, multi-stakeholder and shareholder co-ops across Canada. To date, Tenacity Works has approved more than 35 loans that have supported over 200 jobs.
- We held our November 2009 AGM / Conference, which you can read about in the article below. We are beginning to plan for the 2010 Conference on Bowen Island, BC (October 28-30). We are also planning for a major international Worker Co-op Conference in the second half of 2011 in Quebec City. At that Conference, we will formalize the launch of the North America region of the international WC Federation, "CICOPA".
- We have participated actively in the Western Labour-Worker Coop Council which was incorporated in late 2009. One exciting development on the labour front was the signing of a framework agreement between the United Steelworkers of America and the Mondragon Co-operative Corporation, to establish unionized worker co-ops in both the US and Canada. CWCF has participated in various conference call meetings regarding this agreement. Although the collaboration between the USW and MCC is still embryonic, there is very significant potential. You can read more about this important development in the article below.

In co-operation,

Hazel Corcoran

Executive Director

hazel@canadianworker.coop

Send Letter In Support Of A Canadian Co-op Investment Strategy



The Canadian Co-operative Association (CCA) has called on the federal government to adopt the two-pronged strategy: a Co-operative Investment Plan, which would allow members of producer and worker co-ops who invest in their co-operatives to receive a tax credit; and a co-op development fund, which would provide loans to co-ops seeking capital funding.

Letters and emails calling for a Co-operative Investment Strategy in the next federal budget have been coming in to Members of Parliament and the relevant cabinet ministers.

You can find out more about the campaign, and send an email directly to your MP and the minister responsible for co-operatives, the Honourable Jean-Pierre Blackburn, from CCA's website by going to http://www.coopscanada.coop/en/gov_affair/InvestStrategy. Please send your letter before February 2nd!

Money Available For Worker Co-operatives

The Worker Co-op Fund, **Tenacity Works**, is an investment fund whose purpose is to create new or expand existing worker-owned co-operatives in all regions across Canada. Tenacity Works is owned and operated by the CWCF. As a revolving loan fund, Tenacity Works usually has funds available for making loans. Funds are used to invest in worker, multi-stakeholder and shareholder co-ops across Canada. To date, Tenacity Works has approved more than 35 loans that have supported over 200 jobs.

If your co-op is seeking investment capital, we encourage you to consider applying to the Fund. For more information visit our website at www.canadianworker.coop or contact Fund Manager Peter Hough at (902) 678-0473 or peter.cwcf@xcountry.tv.

The Fund generally provides term loans over a 5-year term with a fixed rate of interest. The rate is 2 percentage points about the prime lending rate with a minimum rate of 8%.

Occasionally the Fund also provides a loan with interest only payments for an additional term of 1- 2 years to assist the co-op with its cash flow during early period of the loan. The interest rate for the interest only period is slightly higher than the regular rate which is charge during the interest and principal payment period.

The Canadian Worker Co-op Federation gratefully acknowledges the support of Human Resources Development Canada (HRDC) in the establishment of the Worker Co-op Fund.

The FOCF

<http://www.fqcf.coop>

La Siembra

www.lasiembra.com

Quebec Forestry Worker Co-op Federation Joins



The CWCF is proud to announce that the Quebec Forestry Worker Co-op Federation / Fédération québécoise des coopératives forestières (FQCF) has joined the CWCF.

Although in recent years there have been economic challenges in the sector, over the last 25 years the activity level of the FQCF has been impressive.

With 38 members, the FQCF accounts for 98% of the total business of forest cooperatives operating in Québec. The FQCF's member co-ops have 3,000 members, and they had revenues of over \$225 million in 2008. For more information, visit: www.fqcf.coop.

Welcome to the CWCF!

Add La Siembra To Your RRSP Portfolio



The challenge with ethically responsible investing is that the average person may not have the knowledge of exactly how their invested money is being used. By comparison an investment in La Siembra Co-operative, a Canadian worker-owned cooperative, offers investors a direct link to supporting good business.

An investment in La Siembra is a credible alternative to "green" or "ethical" mutual funds offered by banking institutions or investment companies. Holding an investment with La Siembra simply makes sense in any ethical investment portfolio.

For the investor who wished to deputize a financial expert to assure a diverse strategy to mitigate risk, many will invest in ethical mutual funds. In this scenario, mutual fund managers will seek companies or indices that meet a set of predetermined but often reasonably obvious parameters: no tobacco, no armaments, no pornography and no companies with unsavory management or environmental practices.

The average investor, unless they are particularly motivated to engage the company at a shareholder meeting or through proxy voting through the mutual fund provider, has to expect that the fund managers are vigilant in both adhering to the parameters and willing to divest if they become aware of a change in the company's behavior.

Knowledgeable investors who manage their own portfolio typically can't have access to the inner workings of a company in which they hold stock except through quarterly reports, press releases or other external communications produced by the financial and communications departments of companies.

As we've witnessed recently with the Madoff and Enron scandals, the mortgage market collapse, and the financial meltdown, even the most experienced investors may be the last to know if there is a problem. This

Northern Star Originals

www.northernstar.coop

knowledge further complicates the market for ethical investing.

Aside from an obvious desire to feel secure about their investments while generating a modest return, the ethical investor may also want to be assured that their investments don't simply meet minimal criteria, but can be a point of pride.

For these investors, an investment in La Siembra is a worthwhile consideration. La Siembra is a cooperative that is worker owned that has grown each year since its inception in 1999. Their business is to import, produce, and distribute fairly traded cocoa, sugar and other high quality chocolate and baking products while minimizing their ecological footprint.

Investors in La Siembra have no middle man; their investment is made directly with the cooperative, it is eligible for a registered retirement savings plan, and it directly supports a business that was founded on ethical principles of providing a fair market value to producers, shippers, distributors and clients across the world. Dividends are paid annually, and they have always offered a positive return on investment ranging from 1.3% to 5% in the last five years.

If a person wants to be absolutely sure that their money is invested ethically, there are many options, but an investment in La Siembra offers individuals a guarantee that their money is working to improve the common good and is supporting a higher standard of international business.

Email invest@lasiembra.com or visit www.lasiembra.com for more information or to receive an offering statement.

Northern Star Originals Launches Worldwide



Northern Star Originals has launched itself into the global market with its website and on-line ordering capacity.

Members of the worker co-op that operate Northern Star Originals are ready for increased sales. "We've been providing blankets to the local community for years," says Viola Stevenson, a founding member of the co-op. "With our new website, we can much more easily send this unique cultural product to customers across Canada and beyond. Sharing our culture and history with these blankets is an honour for us."

While off-site sales for Northern Star occur from time to time, the on-line capacity brings helpful tools that will facilitate the ordering experience. "Sales to customers who can't come down to our store to see and touch our blankets, and pick out their colours have been a challenge. Through our website, customers can now see very clearly what they are getting and learn about the deep cultural and historic significance that these blankets represent," says sales manager, John Loewen.

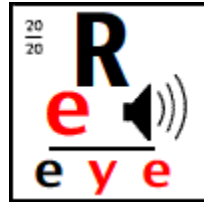
A part of indigenous culture, Star Blankets have been used to bless and honour loved ones during times of celebration and of special milestones marking one's life since before European contact. The Northern Star Blankets, which possess remarkable precision, craftsmanship and beauty,

are created in the same cultural tradition as they were hundreds of years ago. "Inspiration for the blankets comes from the heavens and to give a Star Blanket means to bless from an eternal perspective," shares Stevenson.

If you would like to know more about Star Blankets and Northern Star's story, please visit www.northernstar.coop, or call 204 944 1440.

Red Eye: Vancouver Co-
operative Radio
www.vcn.bc.ca/redeye/

Red Eye Co-operative Radio Interview



Red Eye Co-operative Radio spoke with Hazel Corcoran, director of the CWCF, about the recent partnership between the United Steelworkers Union and the Mondragon Cooperative Corporation.

To listen (12 min 52 sec) go to:
<http://rabble.ca/podcasts/shows/redeye/2009/12/union-embraces-co-op-movement>

CWCF & Trade Union Movements-Joint Action



By Hazel Corcoran, Canadian Worker Co-op Federation (CWCF), February, 2009

Leaders from the worker co-op and trade union movements in Western Canada have been actively collaborating since September 2006, when the Western Labour-Worker Co-op Council (the "Council") was formed. The Council is attempting to replicate the approach taken by the Ohio Employee Ownership Center to provide technical assistance to employee buy-outs. Lynn Williams, then 82, legendary leader of the Steelworkers' plant rescues across North America, was the opening speaker at the group's first meeting and declared it "historic." Williams is a pioneer of North American union-led buyouts.

The Council's mandate includes building the capacity to respond where unionized employees want to explore buying out a business as a worker co-operative or other type of employee-owned enterprise due to business succession or a crisis situation.

Speakers at later Council meetings included David Levi, CEO of GrowthWorks, the second largest Labour-Sponsored Investment Fund in the country, Tom Croft, of the Heartland Labor-Capital Network in Pennsylvania, Michael MacIsaac, Executive Director of the Canadian Labour Congress, and Dave Sitaram, President of the Canadian Co-operative Association. The Council is run on a volunteer basis by representatives from CWCF, the Canadian Labour Congress, and other supportive organizations from the worker co-op and trade union movements.

With the global recession gathering steam, trade unionists and worker co-operators have more and more reasons to work together. In the context of escalating job losses in resource and manufacturing industries, there is a great deal of good will and enthusiasm within the Council, and by co-operating, we aim to provide working people with greater control over their economic life.

For more information visit: www.coopzone.coop/en/taxonomy/term/178/9.

Steelworkers Form Collaboration with MONDRAGON, the World's Largest Worker-Owned Cooperative



United Steelworkers (USW) and MONDRAGON Internacional, S.A. today announced a framework agreement for collaboration in establishing MONDRAGON cooperatives in the manufacturing sector within the United States and Canada. The USW and MONDRAGON will work to establish manufacturing cooperatives that adapt collective bargaining principles to the MONDRAGON worker ownership model of "one worker, one vote."

"We see today's agreement as a historic first step towards making union co-ops a viable business model that can create good jobs, empower workers, and support communities in the United States and Canada," said USW International President Leo W. Gerard. "Too often we have seen Wall Street hollow out companies by draining their cash and assets and hollowing out communities by shedding jobs and shuttering plants. We need a new business model that invests in workers and invests in communities."

Josu Ugarte, President of MONDRAGON Internacional added: "What we are announcing today represents a historic first - combining the world's largest industrial worker cooperative with one of the world's most progressive and forward-thinking manufacturing unions to work together so that our combined know-how and complimentary visions can transform manufacturing practices in North America."

Highlighting the differences between Employee Stock Ownership Plans (ESOPs) and union co-ops, Gerard said, "We have lots of experience with ESOPs, but have found that it doesn't take long for the Wall Street types to push workers aside and take back control. We see Mondragon's cooperative model with 'one worker, one vote' ownership as a means to re-

empower workers and make business accountable to Main Street instead of Wall Street."

Both the USW and MONDRAGON emphasized the shared values that will drive this collaboration. Mr. Ugarte commented, "We feel inspired to take this step based on our common set of values with the Steelworkers who have proved time and again that the future belongs to those who connect vision and values to people and put all three first. We are excited about working with Mondragon because of our shared values, that work should empower workers and sustain families and communities," Gerard added.

In the coming months, the USW and MONDRAGON will seek opportunities to implement this union co-op hybrid approach by sharing the common values put forward by the USW and MONDRAGON and by operating in similar manufacturing segments in which both the USW and MONDRAGON already participate.

For more information on the USW, Mondragon, and the full text of the Agreement, see: www.canadianworker.coop/news/general-news/steelworkers-form-collaboration-mondragon.

Grassroots Economic Organizing Now Online



Grassroots Economic Organizing (GEO) is a decentralized collective of educators, researchers and grassroots activists working to promote an economy based on democratic participation, worker and community ownership, social and economic justice, and ecological sustainability--a "solidarity economy"--through grassroots journalism, organizing support, cross-sector networking and movement-building and the publication of educational and organizational resources.

The primary work of GEO is to create and distribute useful resources--stories, reports, articles, ideas, dialogues, etc.--in the service of building a self-conscious movement for economic democracy and a solidarity economy and culture. This means that much of what we do together is journalistic work. We seek out inspiring and useful stories and information. We solicit and collect articles and other writings by movement thinkers and practitioners. We do interviews and write articles and essays. We coordinate these efforts via our published "issues."

GEO is US-based, but frequently features Canadian and other international content. GEO welcomes you to their website and invites you to participate! Read, reflect, connect others with these resources, and--best of all--contribute your voice and perspective to this growing movement.

For fourteen years, GEO has edited and printed a bi-monthly publication called GEO Newsletter, providing news, analysis and an open forum on grassroots organizing to build and finance worker- and community-owned, democratically run, solidarity-based, ecologically sustainable enterprises and organizations.

Grassroots Economic
Organizing
<http://www.geo.coop/>

Naomi Klein Interviews Michael Moore

On September 17, in the midst of the publicity blitz for his cinematic takedown of the capitalist order, Moore talked with Nation columnist Naomi Klein by phone about the film, the roots of our economic crisis and the promise and peril of the present political moment.



NK: The thing that I found most exciting in the film is that you make a very convincing pitch for democratically run workplaces as the alternative to this kind of loot-and-leave capitalism.

So I'm just wondering, as you're traveling around, are you seeing any momentum out there for this idea?

MM: People love this part of the film. I've been kind of surprised because I thought people aren't maybe going to understand this or it seems too hippie-dippy--but it really has resonated in the audiences that I've seen it with.

MM: But, of course, I've pitched it as a patriotic thing to do. So if you believe in democracy, democracy can't be being able to vote every two or four years. It has to be every part of every day of your life.

We've changed relationships and institutions around quite considerably because we've decided democracy is a better way to do it. Two hundred years ago you had to ask a woman's father for permission to marry her, and then once the marriage happened, the man was calling all the shots. And legally, women couldn't own property and things like that.

Thanks to the women's movement of the '60s and '70s, this idea was introduced to that relationship--that both people are equal and both people should have a say. And I think we're better off as a result of introducing democracy into an institution like marriage.

But we spend eight to ten to twelve hours of our daily lives at work, where we have no say. I think when anthropologists dig us up 400 years from now--if we make it that far--they're going to say, "Look at these people back then. They thought they were free. They called themselves a democracy, but they spent ten hours of every day in a totalitarian situation and they allowed the richest 1 percent to have more financial wealth than the bottom 95 percent combined."

Truly they're going to laugh at us the way we laugh at people 150 years ago who put leeches on people's bodies to cure them.

This article was first published in The Nation.

For the full interview go to:

<http://www.thenation.com/doc/20091012/klein>.

Worker Co-operatives Featured in Michael Moore's 'Capitalism: A Love Story'

Isthmus Engineering
www.isthmuseng.com



Isthmus Engineering has been a workers co-operative since 1982. Located in Madison, Wisconsin, it designs, builds, and creates automotive machines.

There are 29 employee members. Annual revenue is \$15 million.

Alvarado Bakery
alvaradostreetbakery.com



Alvarado Bakery is located in Petaluma, California. It has sales of \$24 million and has 117 employees making 40,000 loaves of organic bread.

Production workers receive between \$18 and \$22 per hour.

Union Cabs: After 30 years, workers are still in the driver's seat



By Jane Burns,
The Cap Times

Union Cab Co-op

<http://www.unioncab.coop/>

Thirty years ago this October, Union Cab was born out of the ruins of a strike at another cab company. It has grown from 13 cabs and 45 drivers that first year to 65 cabs and 171 drivers; the company also has five mechanics, 24 dispatchers and a three-person information technology department and an administrative staff.

The Madison, Wisconsin company is owned and operated by the people who work there; there's not one boss, there are 215. The people who work there call themselves "members," not employees. The unusual structure works: Last year, for the first time, Union Cab charted the highest number of trips and passengers among the city's cab companies, according to city statistics.

Managers and veteran drivers can make salaries exceeding \$40,000 and health care is also offered as a benefit, a rarity in the taxi business. Union Cab drivers don't own the cars they drive; they work on a commission that starts at 36 percent and can rise as high as 60 percent or more. Drivers at most other cab companies lease vehicles from the company and keep the difference at the end of the shift. Even with slow nights, Union Cab drivers are guaranteed the federal minimum wage over a 40-hour pay period.

The members have a kind of comfort many other people don't have these days and consider themselves fortunate. "We'll never outsource. A cab would take a long time to get here from Calcutta," Hill says. "That's nice. We don't have to worry about that at all."

The full version of this article can be found at:

http://host.madison.com/ct/news/local/article_5914cacf-a003-5255-843d-8525230860c7.html.

In Memoriam: Robert Revet

Robert Revet, a Regina co-operator who is a former president of the Conseil canadien de la coopération et de la mutualité (CCCM) passed away on Tuesday, December 1 at the age of 65.

Mr. Revet joined the board of the CCCM (then the CCC) in 1997 and was elected president in 2002. He is also a former president of the Conseil de la coopération de la Saskatchewan.

Mr. Revet had been involved in many co-op organizations in Saskatchewan and most recently was a board member of the Prairie Lily Funeral Co-operative.

In Memoriam: John Logue

On Wednesday December 9 John Logue, the Founder of the Ohio Employee Ownership Center (OEOC) and OEOC Director for 23 years passed away, about a week after being diagnosed with cancer.

To staunch Ohio's job losses from deindustrialization, in 1987 John founded the Ohio Employee Ownership Center, which helped tens of thousands to share in the ownership of the companies where they worked.

Great people are attracted to great challenges. Dr. John Logue of Kent State University is a shining example of this kind of greatness. Arriving in Kent in the mid-seventies from Texas - by way of Princeton and Europe - Dr. Logue's credentials, charm, optimism and moxie could have taken him anywhere to teach and work. He chose northeastern Ohio. His life's work has addressed our challenges.

John was one of the founders of the Western Labour-Worker Co-op Council (see article above on worker co-ops & trade union - joint action), and contributed much to both WLWCC and CWCF over the years. To read more about him, see: www.kent.edu/CAS/PoliSci/tribute-to-a-great-ohioan.cfm and <http://johnlogue.blogspot.com/>.

CWCF

The Canadian Worker Co-operative Federation is a national, bilingual grassroots membership organization of and for worker cooperatives, related types of co-operatives (multi-stakeholder co-ops and worker-shareholder co-ops), and organizations that support the growth and development of worker cooperatives.

Please send any comments and suggestions:

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