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1994



# COMMUNITY ECONOMICS

VOL. 4 No. 1

PROMOTING COMMUNITY ECONOMIC DEVELOPMENT

## Worker co-ops create jobs

By Russell Christianson

**B**usiness is booming at the Ontario Worker Co-op Federation (OWCF), with an ever-growing number of groups across Ontario working with federation staff to create new worker co-op businesses.

"You have the idea for the business and the OWCF offers a complete package from defining the concept to organizing the vision", says worker co-op developer Kathy Kennedy, explaining the range of services offered to fledgling enterprises.

The federation has completed 20 feasibility studies and eight business plans since February 1993. Seven new worker co-ops have been incorporated and staff are work-

ing with over 50 groups in various stages of business development. The idea is to create a network of worker co-ops who support each other

and new worker co-ops through their own federation. Eight new jobs have been created to date, with a target of 350 jobs by March 1995.

The growth curve for businesses and job creation was carefully considered when the Worker Co-op Federation set

**See Worker page 6 >**



Worker Co-op Federation assistance has helped these members of an urban sawmill business in Toronto, part of Toronto Community Ventures.

## New CED act helps communities

By Barb Matthews

**T**he Ontario Government's Community Economic Development Act -- Bill 40 -- delivers a clear message to the CED community. Perhaps most of all, it will help deliver the money needed to make community economic development happen.

Without access to capital or credit, good business ideas do not become new business start-ups and viable businesses do not expand. As a result, no jobs are created.

Bill 40 will work to combat this problem in two ways. First, alternate sources of fi-

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# Ontario's Bill 40: giving

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ancing for entrepreneurs turned away from traditional financial institutions will be available. "Bill 40 provides an avenue by which people with limited economic means can create their own jobs and become members of worker coops and other forms of business", says John Brouwer, of the Ontario Worker Co-op Federation. "Businesses can now raise capital for new activities and expansion."

Secondly, municipalities can now work with community groups and other private sector contractors to add infrastructure improvements and local project development.

Through the act, the gov-

ernment's history has so much political will existed to support local solutions for economic renewal.

In the past, CED was viewed as an alternative or secondary contributor to the economic and social well-being of our communities. Traditional local economic development was considered the best option for creating jobs.

"With the problems we have around jobs today, employment has become a major issue for our community to deal with" says David Walsh, a long-time advocate of CED, speaking on behalf of the Our Local Economy project to the legislative com-

David Pell, executive director of Toronto's Community Business Centre.

Investment in the talents and resources of people will result in jobs. Almost as important, communities can control and invest in their own plans for economic and social renewal by adopting the financial structures outlined by Bill 40. Money and leadership, two important resources needed to sustain healthy communities, can be developed at the local level.

## New Corporate Structures

Bill 40 outlines three options for communities: Community Development Corpo-

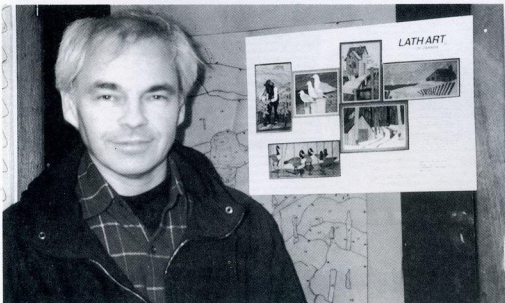
business, educational institutions, credit unions, and local government. A municipality, non-profit group or cooperative can sponsor and organize a corporation.

Community involvement is optional but financial assistance and technical support are available to develop the structures. Tourism, manufacturing, and information and telecommunications are considered growth areas and eligible for investment.

A Community Development Corporation provides business advice, technical assistance, promotional services, leadership training, facilitates partnerships, and generates funds for itself and local businesses. A usual first step is to establish a CDC which then sponsors the financial funds to implement the community strategic plan.

The financing mechanisms provide alternatives to traditional financial institutions for investors and businesses. Community Investment Share Corporations are share capital corporations limited to purchasing equity shares of eligible businesses. Equity financing of up to \$500,000 for small and medium-sized businesses will be available. Investments are handled similar to guaranteed investment certificates but investors are only guaranteed their principle. The rate of interest depends on the success of the business.

Community Loan Fund Corporations are corporations without share capital which assist businesses in obtaining loans from financial institutions by offering their own capital as collateral. Loans



Tom Bramhill of Toronto received a loan for his business, Lath Art of Canada, through an interim community loan fund. A major goal of Bill 40 is to provide funding for new community businesses.

ernment expects 40 Community Investment Share Corporations and 35 Community Loan Fund Corporations to develop over the next five years. The government will provide \$40 million for these corporations. Nearly 4,000 new jobs are expected.

At no other time in On-

tomitee for Bill 40.

The premise of Bill 40 is that people and communities can solve many of their own economic and social problems, if given the necessary resources. "The legislation recognizes the previously overlooked, yet very important urban context of CED," says

rations (CDC), Community Investment Share Corporations (CISC); and Community Loan Fund Corporations (CLFC). Structured as independently incorporated non-profit organizations, the corporations will be managed by voluntary boards reflecting community groups, labour,

# CED a shot in the arm

## Bill 40

Bill 40, the Community Economic Development Act introduced by Minister of Municipal Affairs Ed Philip last June, provides a legislative framework for stimulating economic development through Community Economic Development Corporations.

Designed to support CED through community development and financing, Bill 40 is part of the government's three-year \$300-million jobsOntario Community Action Initiative

to micro-enterprises will range from \$500 to \$15,000. Loans rates are expected to be comparable to banks or credit unions. Businesses are supported with advice and on-going assistance.

For municipalities, the legislation encourages ways to build economic partnerships among community members, groups, local government and public institutions. Amendments to the various acts enable municipalities to participate and fund the development of the CDCs; permit school boards to invest in joint projects with other school boards, municipalities, hospitals, universities and colleges; and encourage municipalities to buy capital facilities such as community centre complexes, by contracting with the private sector.

As we go to press, Bill 40 has passed Third Reading and awaits Royal Assent in 1994. Expressions of interest from communities are invited. Some communities are already profiting from the financial initiatives. In November, new businesses in Toronto, Sudbury and St. Catharines received \$600,000 with special loan guarantees

for enterprise proposals in furniture manufacturing, desktop publishing, a bakery and others. The city of Burlington hopes to launch a community development corporation early in 1994.

The investment in human potential and sponsorship of financial structures to support local economic development or CED is a recipe for success. Community development corporations, although not used extensively to promote urban CED, do produce results in rural Ontario. CDCs are making a difference in Montreal, Nova Scotia, British Columbia, the United States, Britain and Europe.

"Money in CED is a key factor, but a secondary factor is for people to understand what they are going after through the process" commented Joe Newton, program director for Jobs Ontario Community Action. Communities need to build their capacity and skills around defining what they want.

However, the need for money cannot be downplayed in the development of the CDCs. "Bill 40 does not address the question of long-term funding for CDCs. Their role

is not closely tied to a specific purpose through the legislation" says David Pell. Pell, an experienced CED practitioner feels funding is vital to the development and sustainability of CDCs. Without a defined role in the community, a CDC cannot provide the leadership and organizational development needed for creating local economic development.

### Who's in the driver's seat?

As these community-driven organizations raise capital, develop human resources, identify community needs, and form partnerships with

their municipalities and other public service agencies, the creation of and products will result in jobs and community spirit.

Do you feel the initiative will benefit your community, aspiring entrepreneurs, and the CED community? Please write with your comments and/or experiences. We look forward to hearing from you.

*Barb Matthews is a Toronto-based CED practitioner experienced in community business development. She has organized community-based initiatives to respond to unemployment and underemployment in a variety of settings.*

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# Sudbury network gathering steam

People from throughout northeastern Ontario are gathering in Sudbury in late February to kick off an ambitious expansion program for the Ontario CED Coalition in 1994.

"The Coalition is committed to supporting regional networking as a means of providing information, training and support to build the capacity of communities to develop their local economies", says Malcolm Shookner, the Coalition's interim chair.

The Sudbury conference, which takes place on Feb. 24-25, is intended to achieve those goals through workshops and a public forum. "The aim is for people in the Sudbury community, and from across northern Ontario to meet and learn from CED organizers", says conference coordinator Olive Vanderkooy.

Ways of developing a vibrant local economy will be explored at a public forum on February 24. The panel will feature people active in alternative development activity, such as Ginette Lafreniere,

from Sudbury's cooperative sector. Following discussion and questions, there will be a planning session on building the northern Ontario CED network.

"How-to" workshops on February 25 will offer step-by-step practical guides on how to develop co-operatives, community-shared agriculture, community education programs, models for training and community-based businesses. The people involved are active in their field, such as Denis Castonguay of the Ontario Worker Co-op Federation and Rick McLeod-Farley, from a native CED organization called the Pasico Development Corporation in Moose Factory.

Conference events take place at St. Andrew's Place, 111 Larch St., Sudbury. The public forum is free, but there is a \$15 registration fee for the workshops. To learn more, contact Olive Vanderkooy or Ram Jagassar, conference coordinators, at (705) 674-5587, or fax at (705) 670-0893.

A key force behind the conference is the Grassroots Economic Opportunity Development and Evaluation (GEODE), a Sudbury organization working to promote economic opportunities for unemployed and underemployed people. Financial support is being provided by Jobs Ontario Community

Action, the Ministry of Municipal Affairs and the Pasico Development Corp.

The Ontario CED Coalition is planning networking events for other regions of the province during the next few months, such as eastern Ontario, southwestern Ontario and Toronto.

The Coalition is building support from many types of groups and organizations around the province, including community enterprises, First Nations, disabled people, women's and ethnic groups and anti-poverty groups, as well as municipalities, community development corporations and social planning organizations.

## Grassroots Economic Opportunity Development and Evaluation



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# OLE launches computer network

By Whitney Smith

Three projects are in the works to sustain the momentum built up during the Our Local Economy Town Hall Week last May.

After several months of discussions, the Our Local Economy (OLE) project has prepared a draft strategy for strengthening CED activity in Metropolitan Toronto during the coming year.

The strategy plan focuses on OLE's support role for community economic development through three projects: town halls; a computer information network called OLE-Mail; and leadership development.

Consultations with the local CED community this winter will pose the question: how can the Local Economy network support your work through these projects? After these sessions a report will be produced in the spring outlining OLE's implementation of its three projects in the next two years.

At Town Hall Week, various areas of CED activity were identified: CED networks; self-employment; women's enterprise; access to finance; community housing; business supports; food and agriculture;



Last May's Our Local Economy Townhall Week attracted over 1,000 people to envisage new ways to nurture a new economy. The Our Local Economy project continues to promote networking.

David Smiley photo

faith communities; international connections; information technology; youth employment; alternative currencies; green enterprise; labour; arts; and ethnic business. Our Local Economy will encourage representatives from these areas to take part in consultations with others who share their interests and vision.

Adding to its community outreach activities, OLE is creating two new projects: OLE-mail and leadership development. They address the need expressed at Town Hall Week for more access to information and community

access to facilitation skills.

The purpose of OLE-Mail is to allow people to communicate more easily and effectively about ideas and actions relating to CED. OLE has had difficulty serving the information needs of groups and individuals interested in CED. By getting online, they will be able to access (and contribute) information on resources, access to funding, CED successes, work and business ideas, a calendar of events, and Town Hall '94.

OLE-Mail will be part of an Ontario-wide CED computer network sponsored by the Ontario CED Coalition and the Social Investment Organization. This network will be up and running on WEB, the Canadian computer network linked to international networks, by February. It is designed to serve the information needs of CED communities throughout the province.

For those without a computer or modem, OLE will have a computer room available free of charge, managed

with the Social Planning Council of Metro Toronto.

Orientation sessions for OLE-Mail will be held every two weeks to help people get over the initial hump that prevents them from getting online.

The third Local Economy project, leadership development, will be undertaken with ICA Canada, and will entail different approaches to building leadership and facilitation skills, including courses, media products and neighbourhood telephone bulletin board systems. At the CED area consultations, OLE will solicit comments on leadership development needs in specific communities. The Local Economy project is also interested in leadership development issues relating to the next Town Hall Week in May 1994.

*For more information about Our Local Economy programs or if you are interested in volunteering, please call 361-0466 or write: Our Local Economy, 49 Wellington St. East., 4th Floor, Toronto, Ont. M5E 1C9.*

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# Worker co-ops aim for 350 jobs

> Continued from page 1

eration set its objectives. The job creation targets are based on the experience of the co-operative movement in developing co-op businesses.

"It usually takes six to nine months for a business to move through the various phases of development, from creating the initial concept to raising the money needed for start-up. The business development process usually follows a curve which begins slowly and grows more rapidly as the momentum builds", says John Brouwer, executive director of the federation. Brouwer has over 21 years of co-op development experience.

In the past nine months, more than 600 people inter-

ested in starting worker co-op businesses have contacted the federation. The OWCF operates in five regions across Ontario, including Sudbury, Ottawa, Toronto, Waterloo and St. Catharines. Eleven federation staff work to support and nurture worker co-op development.

The business development process used by the OWCF offers a complete advisory service and works at the pace of each particular group. After an initial inquiry, a worker co-op developer meets with a new group, discusses the worker co-op option and answers questions. Next, an entrepreneurial self-assessment process helps group members decide if they truly want to be

self-employed. This self-assessment also enables group members to get to know each other better and to determine what their shared goals or different visions are for the business.

If the group decides to continue to pursue their business as a worker co-op, the developer works with them to complete a feasibility study. Kathy Kennedy explains the importance of this stage: "The group really has very little to lose and usually enjoys the participation and learning they go through during the feasibility process. The important thing is that they determine whether they have a market and whether they can pay themselves decent wages, before they put any money at risk."

Pablo Molina, a founding member of Co-operative El Sembrador Ltd., an import-export

business, believes "it's harder for an individual to start a business, the only way to do it is as a group, in a co-op."

Worker Co-op Federation staff will help you determine if your business idea is good and if you really want to be involved in a worker co-op. You simply need a good idea, and two or three other people to work with. Best of all, the business development services have no up-front charge, simply a \$50 membership fee and your commitment to organizing your business as a worker co-op and joining the federation. If you want more information, call the provincial office at (416) 462-9969.

*Russell Christianson is a business developer at the Ontario Worker Co-op Federation and president of Origins Co-op, a worker co-op business that markets organic food products across Canada.*

## WHY WAIT FOR A JOB WHEN YOU CAN MAKE ONE?

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## Making business sense - building community

By Cathy Lang

**W**illi Nolan, a social entrepreneur walks into the Toronto Women's CED Network meeting and throws a few samples of environmentally friendly tampons on to the tables. The women agreed these would be more useful than the usual samples targeted at the "womens' market", like hair conditioner, perfume or clothes softener.

Terra Femme is a pure cotton, minimally packaged, and non-irradiated tampon currently produced in Sweden and then imported into Canada. The product is not bleached, a radically different approach to the manufactur-

ing of tampons. Most are treated with chlorine gas or chlorine dioxide which produces dioxin, one of the most, potent and harmful carcinogens.

In response to these harmful chemically-treated tampons, Willi reacted by developing Bio Business International in 1991 to market Terra Femme. She chose to show her solidarity with the women's movement by marketing and promoting products that are environmentally responsible and that enhance the quality of life of women. Contributing to the cause, Willi donates a portion of the profit to organizations which support the rights and growth of

women and children.

"Marketing a personally and environmentally safe product for women is the work of an activist" says Willi. She has been pivotal in pushing to the development of Esperance, a non-profit housing project for women and children coming from transitional situations and abusive relationships.

Today, Esperance houses 111 women and their 128 children in safe affordable units. Not surprisingly, several women at Esperance have followed Willi's example, generating income for themselves by starting community businesses or coops.

One thing distinguishing

the women's approach to CED is its holistic quality. Housing projects, day care services, and businesses such as Bio Business International are created by women like Willi Nolan to help make the world more liveable for themselves and their families. These people build communities.

For more information about Terra Femme, Bio Business International or Project Esperance, contact Willi at (416) 539-8548.

*Cathy Lang works in program development with the Canadian Co-operative Association (Ontario).*

## Counting ourselves in

By Jennifer Cobb

*Starting with this issue, the Toronto Women's CED Network will be contributing a regular column to Community Economics.*

**C**ounting Ourselves In is a multidimensional resource guide for women involved in CED. Published by WOMENFUTURES CED Society and Social Planning and Research Council (SPARC), both of British Columbia, *Counting Ourselves In* comes from a feminist analysis grounded in many years of hands-on community based experience.

Written by women, for women, and gathering togeth-

er resource information compiled by CED participants across the country, *Counting Ourselves In* reflects not only the concerns and challenges of women in CED, but also documents the unique ways that women organize and communicate.

*Counting Ourselves In* is written in a friendly and accessible manner, available for use by all women. It is a how-to guide for community groups that provides them with the information, models, and resources necessary to undertake a CED initiative from within the community. It includes listings of women's organizations, community organizations, gov-

ernment programs, and financial and educational institutions for each province.

Chapters 1 through 6 focus on themes relevant to women involved in CED: Inviting Participation, Women's Contribution to the Economy, The Community We Want to Live In, Identifying the Barriers to Women's CED, What Helps Women do CED, and Moving On with the Vision, included are workshop ideas complete with a list of what need to run the workshop.

*Counting Ourselves In* (much as the title suggests) empowers women to take the community economic development process into their own hands, moving

away from the 'delivery of services' model of CED. By making this needed information accessible, WOMENFUTURES and SPARC have made a significant move toward facilitating community based economic development for women.

*Counting Ourselves In* is available from the Toronto Women's CED Network, price \$14. To order, call (416) 363-5459, or fax your request to (416) 362-4946.

*Jennifer Cobb is the Coordinator of the Street Community Enterprise Centre, and a member of the Toronto Women's CED Network.*

# "More rewarding than a million dollars" :

By Kathryn Church

*"I didn't actually think I could do it. Some of the skills I didn't know I had came out. Before when people asked what I did the answer was, well, I am on welfare or UI. Now I'm a business person."*

In May 1993, the Toronto Community Economic Development Network launched a two year study of community businesses. The research,

psychiatric survivors, are members of the CED Network and the research group.

We began our work by asking questions: What are the health benefits gained by people who were unemployed but now work in community businesses? What can business people do to enhance the health benefits of their workplace? How can the public learn about the health benefits of community enterprises?

with mental or physical health problems, addictions or conflict with the law.

## The Up Side

The people we interviewed have strong feelings about their work. People describe what they are doing in terms such as enjoyment, happiness, independence, productivity, competence, incentive and support.

their connection to co-workers. Workplace interactions - the listening and talking, jokes and camaraderie - are critical. From their comments, we understand what "community business" means in "community business."

*I value the camaraderie of the relationships we have. The mutual respect and shared decision-making. I know that there are people there who care about what I am doing. That makes it all worthwhile. If this place was to go down I don't know where we would all go. It would be like losing somebody in the family. It isn't that drastic but there are an awful lot of individuals who feel the same way as I do.*

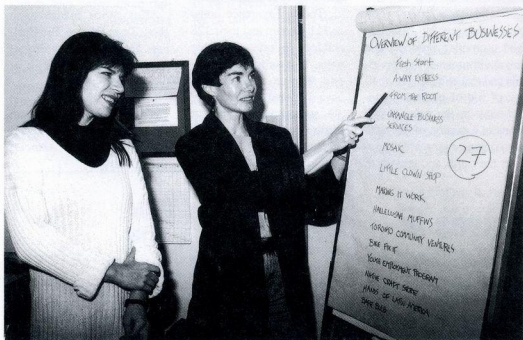
In addition to significant relationships, workers are gaining skills and competence in areas ranging from mastering a new bike repair, overcoming a fear of machinery, producing a cash flow statement, or speaking out in meetings.

*I'm confident about what we're doing. I think it's fun. I consider a lot of the work a challenge. It enhances my skills for future work.*

Finally, some of the people we talked to experience distinct improvements in their health. Some eat better; some lose unwanted weight; some increase their physical stamina. Many find their emotional outlook improved by being busy and productive.

*I lost 20 pounds. I developed very strong legs and felt physically very well.*

*Working here gives me the*



Liz Creal, left, and Kathryn Church review some of the community businesses they work with in assessing the links between employment and health.

sponsored by Fred Victor Mission and funded by Health and Welfare Canada, was designed to explore the meaning of "health" and "empowerment" in the context of community businesses using a participatory management style.

Liz Creal, an experienced community developer, and I were hired to conduct the study. Stephen Bates of Fred Victor Mission and Diana Capponi of Fresh Start, a Toronto cleaning and maintenance business run by

Over the past four months, Liz and I interviewed 30 people involved in a range of businesses: cleaning and maintenance, courier work, sewing and crafts, bike repairs, woodworking and furniture design, desktop publishing and computer-servicing and more. Businesses associated with the Toronto CED Network hire people facing significant barriers to employment either resulting from race, gender and/or immigrant status or from experiences

*I feel very happy. It's the work that I love the most and I can support my family.*

*I haven't had a steady job in about three years, so I feel really good now that I am working.*

*I am not getting any money or very little at least for a time period. There are no incentives, no perks. But this is more rewarding than making a million dollars a year.*

For many workers, the strongest positive element is



# community businesses promote health

*motivation to get up in the morning. It keeps me busy. It makes me feel good about myself. I would become sick if I was at home twelve hours a day. I would become depressed.*

## The Down Side

Workers in community businesses also face tremendous struggles. The most fundamental is the struggle simply to make a living. Most of the people we talked to exist hand to mouth; they need the work they do in order to eat, to pay the rent. However, the work doesn't always pay them what they need to survive. Earnings often only "top-up" their social assistance cheques. Even with the combined income, people tend to just get by.

*We take a certain amount out of our profits for debts. Whoever is left we split but if we have to replace equipment we put that money back in too. We have problems with cash flow. We pay out of our own profits. Our take home money we usually put back into the business.*

Government regulations act as a barrier to increasing

income beyond a subsistence level. This was particularly evident with psychiatric survivor workers on Family Benefits Assistance. Any monies earned over a set amount are deducted from their benefit cheque. Workers are frustrated by this arrangement. They would like to work more and earn more. Their message to government is clear.

*Allow our people to earn a little bit more. People just exist on FBA, welfare, whatever government assistance they are getting. Government has got us right down to the bloody bottom. I have had to refuse raises. I don't work as many hours as I would like to and am capable of.*

In addition to the relentless need for money, workers in community businesses spoke of stress. They talked of time pressures, equipment problems, the uncertainty of their projects, insufficient work, the underdeveloped nature of their businesses and difficult working conditions.

*If this program can't print this file for this client I don't eat.*

*I don't have a feeling of*

*security in this job. I'm on commission so I only get paid for work completed and there often isn't work.*

Perhaps one of the biggest pressures people face is interpersonal conflict. This is ironic considering that working with people is also one of the biggest sources of work satisfaction. From the perspective of workers, it would appear that relationships are a key factor affecting how they feel about community businesses.

*The aspect of working together is good. However, this has to be balanced against the fears and personal conflicts which arise. This business went through 15 people who didn't work. The current group is pretty good.*

*He and I just didn't see eye to eye. So I took some time off. We needed to re-establish our working relationship. Things build up and finally explode. When that happens you say things that you regret.*

*Working together requires tolerance and sensitivity which people don't always have.*

## Makers of Small Steps

In spite of the tensions, many workers express strong loyalty and dedication to their business enterprises and to the social agencies sponsoring them. They have plans for improving and extending the work they do. The key to their commitment may lie in the way they actively participate in creating their own employment.

*I have never been in charge before. Here we are*

*partners. We have mutual respect for each other. Neither of us talk down to the other.*

*There are two things that I have started. This is one of them. I started this. My idea. That makes me feel so... Needed.*

*I'm the coordinator. A cutter of red tape. A maker of short steps. I have the technical equipment or, if I don't, I have the knowledge of where to get it.*

*We have our own freedom. We make our own rules. We feel that we are not a real big burden on society anymore. We are trying to help ourselves.*

## Looking Ahead

Our conversations have established a framework for the next steps in the research. What workers have told us so far reinforces broad definitions of "health" and "empowerment." Economic insecurity and human dis/connection are clearly key pieces of the total picture.

The challenge for the research group in the upcoming months is to "thicken" our description of this situation. If community businesses are to become a viable strategy for the long-term unemployed, organizers need to know much more about participatory structures.

*Kathryn Church is a sociologist experienced in research and policy development with psychiatric survivors. She and Liz Creal can be reached at the Toronto Community Economic Development Network (416) 462-3159.*

## GREEN CITY CONSTRUCTION & DESIGN

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# Workers need green jobs, not pink slips

By Robert Davis

Putting people back to work using environmentally sound technologies to produce green products is the heart of the vision for a revitalized local economy championed by a labour/environment coalition called the Green Work Alliance, (GWA).

The formation of the GWA was sparked by the resistance of 400 members of the Canadian Auto Workers Local 252 to the closure of the Caterpillar heavy equipment plant in Brampton in 1991. When the company tried to shut down the plant and move production to the U.S., workers occupied the plant. Although the company did close the plant the workers were able to extract a better severance package.

The Green Work Alliance was initially formed to support those Caterpillar workers through demonstrations against the plant closing and calling for its conversion to green industrial production. Since the plant shutdown, the Alliance has held several additional demonstrations and a successful conference in 1992.

## From Rustbelt to Greenbelt

Confronting the devastation of the economy and the environment is a daunting task. But the Alliance's vision of replacing the rustbelt with a greenbelt has been enthusiastically received by labour, environment, and community groups including local unions of the Canadian Auto Workers (CAW) and the Ontario Coalition Against Poverty. Members also include environmentalists, artists, and academics.

One of the driving forces behind the Alliance is Nick De Carlo, president of CAW Local 1967 which represents workers at the McDonnell Douglas aircraft plant in Malton. According to De Carlo the Alliance aims to bridge the traditional opposition be-



tween jobs and the environment - where workers are often forced to choose between the "environmentally dirty" jobs they have, or no jobs at all. He notes that corporate threats to close down factories often succeed in mobilizing workers and communities to oppose environmental regulations even though both would benefit from safe workplaces and clean communities.

Environmental job blackmail is hard for workers to ignore in this era of high unemployment and plant shutdowns. Without an alternative green jobs creation strategy we face the spectre of depressed communities vying for the privilege of becoming sites for toxic waste storage and dumps for other people's garbage.

Alliance members believe

that fundamental changes in the way goods are produced, consumed, and disposed of are essential if we are to reverse the environmental degradation and social injustice of our current unsustainable society. The Alliance has put forward ideas for grappling with this threat through local green job creation, and for shifting the burden of economic restructuring from workers and their communities to the corporations who pollute.

Stan Gray, co-founder of the GWA and author of a recent report on green job proposals says that the Alliance is re-focusing its work. The Alliance started off in 1991 by lobbying the provincial government to sponsor Green Crown Corporations for the purpose of manufacturing green products. In 1992, according to Gray, the provincial cabinet rebuffed the Alliance's proposal, stating that its position was against public sector green development.

Despite having the door closed at that level, the GWA continues to work for social justice and environmental reform. "It's important for us to diversify our efforts and conduct the same campaign on different fronts" says Gray. Promoting a "workers' agenda for environmentalism" that includes lobbying for pro-worker legislation, GWA demands centre on the right of refusal to pollute and an environmental compensation fund.

## Creating Green Jobs in Brampton

The GWA plan for creating green jobs in the Brampton area aims to incorporate the needs of workers and the community through a bottom-up mobilization effort to revitalize the public sector as the engine of green economic development.

To carry out this green economic development plan the GWA hopes to establish a resource centre to begin developing a community and eco-profile of the Brampton area. The centre staff would write and distribute a manual for conducting an environmental audit on a factory or neighbourhood an initial task.

Another idea is the designing an "environmental testing kit" for use by community groups and unions. The kit could be one of the first new "eco-products" for the envisioned Brampton green industry. Focus on the Brampton area makes sense because there is plenty of unused plant capacity and many skilled unemployed workers.

While creating green jobs in Brampton is the practical focus of the GWA, the Alliance also wants to address, at a political level, the connections between labour and the environment.

The Alliance hopes to campaign for legislation such as a proposed employer-funded 'Workers' Environmental Compensation Fund'. Similar in design to the Workers' Compensation Fund for injured workers, the Workers' Environmental Compensation Fund would assist workers who lose their livelihoods when "environmentally dirty"

See **JOBS** on page 11 >



# Native artist walking strong

by Mike Crawford

**I**d never thought of myself as an artist. Before, I just did doodles and I'd give them away or throw them away ..."

25 year old Ojibwa artist Dan Fowler has been a member of the Meeting Place (a drop-in centre for socially isolated adults located in the west end of Toronto) for over three years.

"Just moving around," is the way that he describes the life he has led over the past six years, and this statement is an accurate description of the lifestyle of many of the displaced people who find themselves on the streets of Toronto.

"I know the feeling of being lost, not connected with family. It is something you really can't understand unless you have been through it."

But Dan, like so many other homeless people, had a hidden talent. One which even he didn't realize had such potential.

Several months back, I was approached by the Meeting Place staff to take part in a planning session for the start up of a drop-in based CED project. When the idea to do something around art



was brought up, like many other people in that meeting, I immediately thought of Dan. The Meeting Place Greeting Card Business (generic cards which could be marketed year round) was born.

Brian Samuel, a drop-in worker, approached Dan to do the cover art for the cards,

while Alex Jacob, another program worker, provided the Ojibwa text and translation. A member, Malcolm, provided the computer and lay-out skills necessary to complete the project.

Last year, the members of the Meeting Place sold thousands of cards, with royalties

going to Dan, and commissions going to the members who made the sales.

## From Greeting Cards to Prints

A logical extension of the Greeting Card Business was the sale of Dan Fowler prints, matted or plain, available through the Meeting Place. In fact, the Drop-in is now in the mail order business.

So, is Dan now making a sustainable income from his art?

Not yet, but he is turning his life around, and is taking the steps to discover his rich heritage with the assistance of the Minaake Project (*Minaake is an Anishnawbe word meaning walk strong, walk straight.*)

Dan spent a couple of months up at the Bear Island reserve, "walking strong" and staying straight. He has recently returned to the city to help out with this year's CED projects, and he's been teasing us with hints at some new art which he has completed while up north.

*For more information on Dan Fowler's greeting cards and prints call (416) 366-3571*

## Green Work Alliance sparks vision of rebirth

> Continued from page 10

industries are shut down due to their unacceptable environmental impact. The fund would assist these workers and provide retraining.

A case in point would be Ontario's unsafe and inefficient nuclear plants that also gobble up huge taxpayer subsidies. These "toxic" subsidies

could be redirected to support the creation of a green industry public sector, producing such things as solar water heaters, energy-efficient light bulbs and appliances, recycling equipment, energy saving windows, and turbines for small-scale electrical generation.

While recognizing that there are no magic answers especially given the magnitude of the problem, the Green Work Alliance brings important perspectives on worker and community control to the task of creating sustainable communities.

*Robert Davis is a masters student at York University studying Green Politics and Sustainable Community Development and is a member of the Green Work Alliance. For further information contact Nick De Carlo at (416) 677-6088.*



# Paycheque replaces welfare cheque in Halifax

By Barb Matthews

Using welfare transfer payments creatively can provide more than just a cheque for the unemployed citizens of downtown Halifax, Nova Scotia.

Since 1978, the Human Resource Development Association (HRDA), a non-profit community economic development corporation, has worked to create jobs with money diverted from the city's welfare budget. HRDA develops businesses to employ welfare recipients, provides training programs, and stimulates urban renewal.

The idea for the organization was conceived by Harold Crowell, then Director of Social Planning, who understood how much people preferred to work than collect welfare.

## HRDA could operate without government support

With an initial investment of \$275,000 from the city, several federal and provincial government grants, and the foresight of colleagues from the business community and local government, HRDA was established to create businesses to hire people on welfare. Today HRDA is a private corporation with three divisions: HRDA Enterprises Ltd., HRDA Training Division and the Gottingen Street Development Fund.

Their track record includes the development of 14 businesses. Four were discontinued, three were sold to employees and seven continue to do business: Skyline Industrial Painters, Enviro-Care Services, Magna Industrial Services,

Property Management, Nova Sewing Contractors, Stone Hearth Bakery and Knowledge Plus Training and Consulting. Over 150 people are employed in all. From a "rent-a-wreck" car rental agency, to a municipal recycling program, to a training and consulting business, HRDA keeps meeting consumer demand.

The Training Division gives on-the-job training for those employed in the businesses, and offers formal training, mostly pre-employment and life skills training, to other people. Over 600 people are trained through HRDA each year.

A variety of business ventures have benefited from the Gottingen Street Fund: a retail clothing outlet, a music shop, a wholesale distributor

and theatre space. Last year, capitalizing on an exciting opportunity to get involved in Halifax's history, HRDA became a partner in the purchase, development and resale of an historical building ready for demolition. The project produced space for the Stone Hearth Bakery, a food outlet managed by HRDA and run by psychiatric survivors.

"Our latest organizational change at HRDA is a Research and Development Division," says Doreen Parsons, general manager. Recent graduates of business, marketing and engineering degree programs were hired to help with business restructuring or expansion and to investigate new business opportunities.

## A Cost-Effective Venture

Using the welfare entitlement of each employee hired by an HRDA enterprise, the businesses mobilized capital for start-up costs and operating expenses. A 1993 financial analysis indicates that over the last 15 years, the organization has saved government about \$10 million. HRDA boasts of paying \$675,000 each year in taxes and benefits to the federal government for each of the past three years. HRDA businesses have generated total revenues of \$22 million since 1978.

Financial results alone are impressive, to say nothing of the human and social benefits generated. Most employees move on to other jobs using the skills developed during their employment with HRDA.

Other employers, if they hire a welfare recipient, can make use of the "fee-for-service" system and other training subsidies used by HRDA. "With the same opportunity given to other businesses we are able to remain legitimate" says Parsons, when discussing community support for HRDA. "Municipal support has made this program successful. But we can also continue relatively independent of government cutbacks".

HRDA continues to receive operating income from government its training but could operate without government support if needed.

A 1993 review of HRDA by a Massachusetts firm interested in welfare reform and ways to combat unemployment in the U.S. strongly promotes HRDA's cost-effectiveness.

Stewart Perry in *Making*

*Waves*, a publication of the Social Planning and Research Council in B.C., writes about HRDA's strong "company structure" versus a non-profit organization structure as a key ingredient for success. By positioning itself as a business, HRDA was able to obtain loans from traditional banking sources to meet its social objectives. Non-profit social agencies with their budgets tied to government funding are not considered for risk capital.

"HRDA was able to act on business opportunities as they became available and therefore developed a broad base of economic activities for income", says Parsons. "Our diversity is a strength." Social agencies are generally unable to adapt to changing needs as quickly as businesses.

Leadership is another key factor. Harold Crowell still leads the Human Resource Development Association as chairman along with 18 board members, mostly business experts and government officials. Until recently, HRDA did little promotional work. "We just did it", says Doreen Parsons. "That doesn't mean there weren't difficult times, but excellent problem-solving by board members and staff meant no challenge was too difficult to overcome."

HRDA works to serve both the people hired and community needs for such goods and services as recycled products, skilled painting, renovation and construction, and training.

The HRDA offers an encouraging example of what a community development corporation can achieve in an urban municipality.

# How can I add value?

by Jenny Mboutsiadis.

**O**ur economy is changing dramatically, often causing stress in people who fear they will be left out. Mariel Camilleri is a consultant who helps people find their ideal employment setting, and how they can make their unique contribution count. She was interviewed for *Community Economics* by Jenny Mboutsiadis.

**CE:** We could start with an outline of your business, what you do and how you got started.

**MC:** I began in 1981 as a massage therapist treating the symptoms of stress, like headaches, sleeplessness and back pain. All the signs that you know your life is not going the way you want.

After hearing people say "I don't know how to manage my time", "I don't know what I want" or "I don't like my job", I began to realize there were some key reasons why people experienced stress. I decided to start helping people deal with these problems by getting training in time management and career counselling along with ways of helping people understand what is important to them.

Now I do psychological assessments with people to find out their ideal working environment and help them create a more fulfilling life.

**CE:** You spoke at an Our Local Economy forum held at the St. Lawrence Centre Forum of the Arts. Can you tell us some of the main points you made?

**MC:** The forum was organized to stimulate discussion on the question "Where

will the jobs come from?" Many people talked about looking for a job, I proposed shifting the emphasis from "Where can I get a job?" to asking "How can I add value to other people?" Then we can ask ourselves "What can I do to add greater value?"

In other words, how can I express my value system in a way that I'm making a contribution to the lives of others

create new career opportunities. For example, people 45 to 55 years can find age is often a liability when going after a job. As a consultant or self-employed person, age becomes an asset. You have many more years experience to bring to the situation than a younger person.

Some of the best employment and career opportunities will be for self-employed peo-

needs out there. Six years ago most of my work came from organizations finding ways to keep their employees by providing training. Now companies spend less on training and individuals spend more.

**CE:** Since the job market has changed from the traditional way of going through school, applying for and getting a job, how do you think people are dealing with it?

**MC:** Great numbers of people are going through major depression. They are facing the reality that they may never have another job like their last. Panic and anxiety develop because they fear being unable to maintain their lifestyle and financial obligations.

The people I work with are in transition, but are taking positive steps toward doing something about it. People who can make that shift in consciousness from "where can I get a job?" to "how can I add value to other people and organizations that is valuable enough for them to pay me?" will create financial security and a sense of well-being for themselves.

**CE:** For the new small business person in the local economy, what do you think this attitude would mean in terms of self-empowerment?

**MC:** When a person understands that their set of values is an expression of who they are, they have a sense of self-esteem and personal empowerment that goes beyond that of an employee. Employees often don't feel appreciated. They feel their work has no meaning and they are not

**See Create on page 14 >**



Mariel Camilleri

ple or people willing to work on a contract or project basis. The real win-win will start when people stop thinking "My goal is to get a job and how can I convince you to give it to me?", and start to ask "What are your goals and how can I help you achieve them?"

This shift would also benefit our country's economy. A grassroots economic system could develop. For example, I have some service I can offer you; you don't have money to buy it, but have a service valuable to me. Bartering services can greatly increase the quality of life for people because they get services they couldn't otherwise afford.

By thinking "What is it I do that would be valuable to other people?", people can develop the attitude required to

ple or people willing to work on a contract or project basis.

The real win-win will start when people stop thinking "My goal is to get a job and how can I convince you to give it to me?", and start to ask "What are your goals and how can I help you achieve them?"

**CE:** The change in the job market, shifting to contract work from keeping permanent employees is very recent in Canada. In your business, have you noticed the changing attitudes towards jobs?

**MC:** Tremendously. In the past 13 years, I've managed to survive in business by being flexible, and keeping my eyes open in terms of the



# St. Catharines hosts June conference

Looking for more information about community economic development in Ontario? Make a note in your calendar to attend the province-wide CED Conference planned for June in St. Catharines.

The conference is the result of a collaborative effort by 10 locally established CED organizations including

those involved with jobsOntario Community Enterprise, Community Futures and municipal economic development offices.

David Pell, a member of the organizing committee, says the conference is planned "to bring all of the actors together in one place to learn from each other and to establish a means for ongoing collaboration."

The conference program includes a variety of topics on operational and planning issues for organizations and people involved in community economic development. Strategic planning for CED, strategies for self-employment and training, and the use of electronic technology are some of the topics open to discussion. The conference will also examine new

government initiatives including the recent provincial legislation of Bill 40.

*Look for further details in the next issue of Community Economics or contact Linda Bramble, Conference Organizer, c/o Port Colbourne Community Futures at (905) 835-8980 or David Pell, Community Business Centre at (416) 867-2370.*

## Learning from Mondragon

By Paul Born

In March of 1992, I experienced first-hand the Mondragon co-operative of Spain's Basque region -- the largest, most successful group of worker-owned companies in the world.

I was on a 12-day study tour which examined the development strategies of these dynamic co-ops, amidst the dramatic restructuring now underway from the impact of the European Economic Community.

The Mondragon companies had industrial sales of \$2.6 billion in 1990 from 170 co-ops which employ over 21,000 people. In this democratically-governed complex of high-tech firms, worker/owners benefit from decent wages, job security, extensive technical education and occupational retraining.

One company is Spain's largest producer of consumer durables (refrigerators, stoves, electrical appliances), and Spain's seventh largest manufacturer. Another is one of Spain's major ma-

chine tool producers. Mondragon also includes a large chain of supermarkets, as well as agricultural, construction and service co-ops. Over 400,000 families deposit money in the community development bank of the co-ops.

The Mondragon Co-operative Study Tour gave me a whole new understanding of

what can be done to create jobs locally. CODA has implemented many of the concepts I learned on the tour. The tour attracts a broad range of individuals who collectively discuss new models of development while on the tour.

The tour costs \$3,000 (U.S.) and is limited to 20 people. The next one takes

place in March. To learn more, contact IJPC, 215 E. 14th St., Cincinnati, Ohio 45210 USA, tel. (513) 579-8547, fax (513) 579-0674.

*Paul Born is executive director of the Cambridge Opportunities Development Association (CODA) in Cambridge, Ontario.*

## Create the life you want

> Continued from page 13

inspired to perform at their best. Self-employed people have more pride in their work. If I'm thinking as an entrepreneur, I will do my best because the work is an expression of who I am.

**CE:** For people to find their value and understand how they can contribute, your organization assists them in self-assessment. Can you talk about that?

**MC:** There are different ways. One is to use high-tech and high-touch. This is

a computer-scored personality assessment that shows them the ideal working environment for their personality needs. They discover whether they like an extremely structured environment or are better at creating their own structure. Are they a team player or do they work better independently? Then they can understand the career path they should be following.

I also work with people one-to-one to help them reflect on their life. On their

own, they use a workbook called "Create The Life You Want". The time they spend with me is used to focus on understanding their value system and purpose in life. The information gained is translated into something practical and of value for the workplace and the world.

*Jenny Mboutiadis is a producer for High Road Productions Inc. and is a freelance contributor to Community Economics.*



**Get A Life!: A Green Cure for Canada's Economic Blues** by Wayne Roberts, John Bacher, and Brian Nelson.

Reviewed by Robert Davis

Here's a book for people who want green solutions to Canada's jobless recovery. *Get A Life!* is a must read for anybody interested in weaving community economic development with ecological restoration and protection.

As the authors put it, this book is a "starters' kit for do-it-yourselfers, ecopreneurs, community organizers, and local heroes who want to do something right now, without waiting for governments or big corporations to make the change for them." This book is for those who believe in community self-reliance. For activists who focus on the state, this self-help perspective may be harder to digest.

Roberts, Bacher and Nelson are members of the Toronto-based Coalition for A Green Economic Recovery. In response to budget plans of the Ontario New Democratic government in 1992, the coalition proposed an alternate budget, a "New Green Deal." It suggested a shift to environmental protection goods as an alternative to raising taxes or cutting social services. *Get A Life!* expands on the original job creation ideas of the New Green Deal and develops that analysis to a richer synthesis of ecology, economics and community development.

Wayne Roberts, is well-known for his columns on the Queen's Park and environment beats for NOW magazine. John Bacher is president of both the Preservation of Agricultural Land Society and Friends of Foodland. Brian Nelson is a journalist specializing in waste reduction issues and international development. In short, the three writers have a wide-ranging background in the subject explored.

The style of the book is the same "in your face" approach that Roberts uses in NOW magazine. He writes: "For environmentalists, going to governments for help in cleaning up the environment is about as smart as chickens lobbying Colonel Sanders to push vegetarianism." This is followed by the question: "Who else can we offend?" Apparently quite a number of people, including "hair shirt environmentalists," "eco-yuppies who don't think jobs are a problem" and feminists and social justice advocates "who think fixing the environment is an elite issue secondary to the struggle for equality."

But the biggest abuse lands on politicians and executives. Big business and big government are characterized as part of the problem: "Not since Hitler's Big Lie has anyone got away with as large a hoax as that perpetuated by the bulldozer and chainsaw coalition." *Get A Life!* offers solutions based on green economics and self-reliance.

### Green Economics = Two Million Jobs

The authors claim that the ideas in their book would create over two million jobs if implemented. Details on over 70 practical projects for creating a job for yourself or others in areas such as bartering systems (like LETS), community supported agriculture, community gardens and forestry, renewable energy and ecological engineering.

Community economic development is mentioned in a section called "Plenty Of Nothing", on dealing with root causes of poverty. The welfare reform approach of putting more money into the hands of the poor is subjected to a controversial green critique: "A green economic strategy to eliminate poverty starts by eliminating programs for the poor." Instead of government programs that target the poor, the authors argue for such programs as school nutrition programs supplemented by community gardens and kitchens, bulk purchases from local farmers and barter systems that foster community skills.

"Green techniques for community development can help all classes of society, but provide special opportunities for the poor. In contrast to social assistance, which individualizes the poor and reinforces their isolation and dependence, community economic development empowers them. Without reducing the responsibilities of government, these programs can reduce its stifling power."

Perhaps the real trick is to balance community alternatives with government responsibility. We have a long way to go to the green promised land and an adequate welfare cheque in hand is good insurance.

The book is organized into three main sections: "The Ecology, Stupid" (24 principles of a green economy); "From Pop Culture to Polyculture" (creating a sustainable food system); and "Better Homes and Gardens" (more ideas for building communities based on green economics). However, the book lacks a good index - especially as so much is covered and because the clever language used makes it hard to find something under its more garden variety referent. For example, the 24 principles of a green economy are practically indecipherable from the headings given. Would you know that 1-900-KIK-BUTT is a cogent critique of reform environmentalism? While the intention to demystify economics and produce a practical primer is admirable, the use of these clever metaphors turns into a deficit through overkill.

Another edition is already planned and readers of this first effort are invited to share their experiences at developing green enterprises. Clearly, this publication is intended to be a movement-building tool and deserves to be widely read.

*Get A Life!* is published by: Get A Life Publishing House, 2255-B Queen St. East, Suite 127, Toronto, Ontario, October, 1993. \$12 per copy (plus \$2 for shipping). Call (416) 699-6070.

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