

## A Renewed Alliance

Unions build worker power by organizing workers, taking on management in contract negotiations, and by fighting on the shop floor. But some locals and internationals are reviving an old tactic and allying with worker cooperatives, companies that are wholly owned by and run by their workers. Unions are doing this to save jobs, build worker power, nurture community alliances, and secure new members.

In a worker cooperative, the workers are the owners. They set their own wages and working conditions, but also make all the business decisions. In larger cooperatives, workers often govern the business through works councils and an elected board that appoints the managers. Unionized coops have collective bargaining agreements, but the relationship between the union and the “employer” (their members) is different.

To build this alliance, regional hubs are growing, like the Los Angeles Union Coop Initiative and the Cincinnati Union Coop Initiative.

This pamphlet was printed by the Transit Workers Union.

## Unions and Cooperatives Can Grow Together

*Join us!*

For more information,

New York City

NYC Network of Worker Cooperatives  
info@nycworker.coop (212) 390-8178  
www.nycworker.coop

Nationally

US Federation of Worker Cooperatives  
Union-Coops Council  
unioncoops@gmail.com (415) 392-7277  
www.unioncoops.org  
www.usworker.coop

For questions about business conversions,

The ICA Group

Matt Berlin (NY) mberlin@ica-group.org  
ica@ica-group.org (877) 752-3046  
www.ica-group.org

Workers to Owners Collaborative

Joe Marraffino (NY) jmarraffino@institute.coop  
info@institute.coop (415) 379-9201  
www.becomingemployeeowned.org

## Unions are Building Worker Power Through Worker Cooperatives

Pictured: New Era Windows, a cooperative unionized with the United Electrical Workers. Credit: The Working World.

# Unions and worker coops can — and are — building power together.

## Unions and Coops Have a Long History Together

In the late 19th century, American unions and coops saw themselves as part of the same movement, often as members of the Knights of Labor. Today, the Union-Coops Council of the U.S. Federation of Worker Coops brings together unionists and cooperatives seeking new ways to collaborate. For the United Steelworkers' Rob Witherell, now is a vital time for remaking this alliance.

*Separately, unions and cooperatives face enormous challenges. For unions, the ability to secure good contracts has diminished as membership continues to shrink and employers' power continues to grow. For worker-owned cooperatives, challenges include access to the investments and loans needed to grow their businesses or to start up new cooperatives, especially in capital-intensive sectors such as manufacturing, and access to broader support networks...*

*Together, union and cooperatives have the potential to create sustainable jobs that support sustainable communities, the potential to organize workers and workplaces in whole new ways, and even the potential to fundamentally transform our economy and our society for the better. (International Journal of Labor Research, 2013, v.5, n.2)*

In the United States today, a few locals, central labor councils and international unions are already seeing themselves as part of the same movement. In 2009, United Steelworkers announced an alliance with the largest worker coop network in the world, Mondragon in the Basque region of Spain. The nonprofit 1worker-1vote seeks to extend that alliance nationwide. Service Employees International Union 1199 represents workers at Cooperative Home Care Associates in the Bronx, NY, which is the largest worker coop in the country with 860 worker-owners out of a total of 1,954 workers.

Further, craft unions like International Brotherhood of Electrical Workers are finding their apprenticeship programs and benefits now provide vital support to workers in unionized worker coops like Pacific Electric in Los Angeles.

## Save Jobs

When the owner of the Vermont Gage car wash in Los Angeles, represented by Steelworkers Local 675, closed the business without warning in 2015, the local helped turn it into a worker coop owned by its 13 members. The worker owners continue to be union members. When a Chicago window factory threatened to close, its workers sat-in. With the help of United Electrical Workers, they took over the factory and formed New Era Windows, a worker coop.

Union business managers and other leaders can be trained to spot opportunities to convert businesses to coops and save jobs, for instance when retiring owners have no heirs interested in taking over. ICA Group has worked with unions for years on conversions. Other business advisors can be found through the USFWC's website, <http://becomingemployeeowned.org>.

## Create Jobs and Build Community

The South Central Federation of Labor in Wisconsin played an important role in launching Madison's \$3 million Cooperative Enterprise Development Program aimed at supporting new businesses owned by low wage workers and workers of color. In a city where the union movement is disproportionately white, the federation's role showed its determination to support good jobs for immigrants and people of color.

Sheet metal workers in Wisconsin, movers in NY and practical nurses in California are exploring worker coops as a way to bid for jobs

contractors ignore and otherwise employ their union's members.

## Organize New Members

More than 1,000 Denver taxi drivers decided to control their own destiny and not hand it over to Uber by starting their own cooperative, with the help of Communication Workers of America Local 7777. CWA provided crucial lobbying support with the state legislature to remove legal roadblocks for taxi coops. There are now two in the city.

## Invest Union Funds, Not on Wall Street, But In Worker Power

The Maine Lobstering Union, a union-coop affiliated with the International Association of Machinists, voted in February 2017 to buy a wholesaler for \$4 million. It is borrowing \$1 million of that from fellow Machinists locals. By cutting out the middleman between their lobsters and their market, they retain more control of the sale price and a bigger piece of the sale.



Pictured: Cooperative Home Care Associates (CHCA), a cooperative unionized with the Service Employees International Union. Credit: CHCA.