

# Producer Co-operatives

notes

Long before the Rochdale Pioneers there had been co-operative flour mills. Like now, the pressures of capitalist society were forcing people to find ways to survive. The idea of self-help production and distribution took hold. The Co-operator written and distributed by Dr William King between 1828 & 1830 inspired many efforts of community self organisation.

The concept of production and distribution was, in those days, all part of the same co-operative effort. The vision of the Co-operative Commonwealth was conceived as complete self-sufficiency, independent of profiteers. Land and produce, housing, education, cultural activities, craft work, manufacturing, money management and distribution were all integral to community self-help.

Separation of production and distribution came later.

[Dr. William King, The Co-operator 1828 - 1830](#)

[Co-op: the people's business by Johnston Birchall](#)

In the course of time, co-operative production and distribution became integrated under the Co-operative Wholesale Society (CWS). However there were also independent producer co-ops of all kinds.

## Nutclough Mill

[All Our Own Work](#): The co-operative pioneers of Hebden Bridge and their Mill by Andrew Bibby, tells the story of Nutclough Mill,

a co-operative where fustian cutters, dyers and machinists came together to earn their living in a more human-centred fashion.

Writing in Co-operative News 19<sup>th</sup> June 2015, Andrew Bibby says:

“Just as by magical association of ideas we link Rochdale with successful co-operative distribution, we are coming to link Hebden Bridge with the idea of successful co-operative production”.

To read the article see:

<https://www.thenews.coop/95985/topic/history/northern-town-helped-pioneer-workers-co-op/>

Hebden Bridge History

<http://hebdenbridgehistory.org.uk/news-reports/nutclough-mill.html>

and more info:

<http://www.andrewbibby.com/misc/allourownwork.html>

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Co-operative production became more integrated into the CWS in the 20<sup>th</sup> century. The process had been guided by CWS leaders such as [JTW Mitchell](#). Worker co-ops became more and more marginalised.

**Industrial Common Ownership Movement (ICOM)** was a UK national umbrella organisation for [worker cooperatives](#), set up in 1971. It worked to increase the number of worker co-ops in the country. ICOM's model rules for cooperatives, published in 1976, were based on a de-centralised and collectivist concept of democracy. In 2001 ICOM merged with the Co-operative Union to become [Co-operatives UK](#).

The Industrial Common Ownership Act that recognised common ownership companies in law was passed by the British Parliament in 1976.

The first certificate was awarded to [Scott Bader Company](#). The emphasis on common ownership that inhibits the transfer of capital and assets to private interests is what differentiates the UK co-operative model from its continental European counterpart. ICOM had a monopoly on registering UK co-ops under the common ownership model until the late 1980s.

A number of laws were passed by Labour governments to allocate national and local funding to the costs of starting worker co-operatives. This included the setting up of the National Co-operative Development Agency in 1978 and the Inner Urban Areas Act 1978. In subsequent years common ownership was promoted as a model to create employment, and approximately 100 local authorities in the UK established co-operative development agencies for this purpose. Funding was also allocated to co-ops through the job creation schemes of [Manpower Services Commission](#). The number of worker co-ops in the UK grew from 100 or so in the mid-70s to 3000 by around 1990.

Led by local NUM Branch Secretary Tyrone O'Sullivan, 239 miners joined TEBO (Tower Employees Buy-Out), with each pledging £8,000 from their redundancy payouts to buy back Tower. Even against stiff central government resistance to the possibility of reopening the mine as a coal production unit, a price of £2 million was eventually agreed. With their bid accepted, the miners marched back to the pit on 2 January 1995, with a balloon inflated for each worker. On 3 January 1995 the Colliery reopened under the ownership of the workforce buy out company Goitre Tower Anthracite.

New Internationalist 1<sup>st</sup> December 1981

THREE WORKERS' co-operatives set up under the aegis of Tony Benn:

<https://newint.org/features/1981/12/01/giants/>

### **Co-operative Development Agencies**

[https://www.uk.coop/sites/default/files/2020-10/ncda\\_-\\_co-operatives\\_uk\\_position\\_0.pdf](https://www.uk.coop/sites/default/files/2020-10/ncda_-_co-operatives_uk_position_0.pdf)

<https://www.principle5.coop/wp-content/uploads/2017/06/SCDG-article.pdf>

Co-operative Development Act 1978  
effectively repealed 1982

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[Workers' Co-operatives 1970's - 1990's](#)

Steve Thompson  
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