

From Welfare to Rags to Riches

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Ted and Melinda Slater, Industrial R.A.G.S. - Recycled Affordable Green Solution owners, are bridging the gap between income assistance and business owners by processing thousands of pounds of used clothes into rags. (Citizen photo by David Mah)

Is it possible to bridge the gap between Income Assistance and Business Owner?

As a family on welfare trying to become self employed we asked ourselves this question frequently. However we knew our business idea was just too good to give up on. Being self employed for us meant stable and sustainable employment for our family and maybe creating employment for other people just like us in the future.

Being on welfare is in no way a free ride, it comes with many obstacles including poverty, shame and a huge amount of wasted energy poured into just basic survival. The lack of basic necessities such as phone, transportation, and food cause you to feel isolated and depressed, the shame stopped us from reaching out. You feel helpless at the realization that you are on a downward spiral and cannot break free. Is a job (any job) better than being on welfare? We were being pushed into a minimum wage service sector, not a career – to the same end that we would not be able to provide basic necessities for our family.

We looked at the option of self employment, we believed we had a very simple idea that would provide for our family and have an enormous potential for growth. So how do you start a company from zero, I wasn't sure it would even be possible considering our circumstances, but what did we have to lose?

Our idea was simple enough - "manufacturing rags". This idea is based on recycling used clothing into industrial cleaning rags. It seemed like the answer, with all the talk in Prince George about need for employment, development initiatives, self employment options, solid waste consolidation, integrated community sustainability planning, etc.

To start we needed a source of old clothing, local material would be best since shipping up clothing from Vancouver is not only expensive but makes no sense considering local charities frequently ship away clothing to Vancouver for 10cents per pound. Next we would need to purchase a rag cutting machine, and we would also need boxes, phone, internet, printer, and scale. This was a large task for someone on welfare to accomplish. It is almost impossible to receive a business loan when you are in our circumstances.

We found out about a local Self Employment Benefits Program that we may qualify for, this is a government program designed to help those who want to be self employed. After many months of frustration in trying to convince people we had a viable business idea, we were drawn to visit the Aboriginal Business Development Centre (ABDC). ABDC welcomed us into their office as if we were members of their family. Considering that we are non-Aboriginal, we were amazed at the warm reception we received. The Aboriginal Business Development Center gave us hope we could create this business and that yes, we just needed a friend and a little help. Our business plan was fine tuned and we began our journey to self employment.

To our amazement we qualified for a small business loan and we were accepted into the Self Employment Benefits Program. We have since purchased recycling materials and the necessary packaging supplies. We have more than enough left over to order more material and purchase a business license. The impossibility of what we are doing now feels possible. The next large task we have to complete is creating that customer base. Rags are needed everywhere from mines to mechanics to janitors and painters, it is up to us to prove that our locally manufactured product is not only an exceptional quality but also a comparable value.

Our company is called **Industrial R.A.G.S. - Recycled Affordable Green Solutions**. We have just begun our new journey as business owners and I believe it will be possible to succeed. From welfare to rags to riches, we will emerge as a success story in Prince George and not be just another welfare stereotype.

Ted and Melinda Slater.
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Congratulations! “I have recently switched over to Industrial Rags to supply my Auto Repair business with rags from one of the large laundry suppliers in town.”

Ted and Melinda have given me prompt service at less than 25% in cost, for an annual savings of nearly \$1000.00. Their product is made from recycled cloth, helping the environment, and of superior quality. I would recommend their industrial rags to anyone in my industry.”

Andy McLennan, Owner
B&F Autoservice

Congratulations! Wolftek Industries is a proud customer and supporter of RAGS, an emerging Prince George success story.

Your company is a positive example to our community of what can be achieved through ingenuity and initiative.

Congratulations and best of luck in the future!

Speedee Printers is proud to be able to support this up and coming company. We not only appreciate the exceptional service, more so we like that it allows us to be part of their recycling efforts. For this young couple to have fought their way out of the welfare system and start up this new business is a success story unto itself.

The directors of Hartway Salvage Ltd. welcome the opportunity to work with Melinda and Ted Slater and their new business venture, Industrial Rags.

The Aboriginal Business Development Centre first brought the business to light in The Citizen in early spring and upon reading the article we offered our support. Industrial Rags now operates out of the same location as Hartway Salvage at 5446 Hartway Drive; the rags and salvage businesses offering the community of Prince George a convenient blend of recycling services. Based on their enthusiasm, we know that the future will bring the Slaters many rewards. We are excited to be part of the team and wish them well.