



Catholic Campaign for Human Development

Economic
Development

Worker-Owned Cooperatives

What is a worker-owned cooperative?

Worker-owned cooperatives are business entities that are owned and controlled by their members, the people who work in them. The two central characteristics of worker-owned cooperatives are: (1) workers invest in and own the business and (2) decision-making is democratic, generally adhering to the principle of one worker-one vote.*

Worker-owned cooperatives provide meaningful jobs and asset-building opportunities for workers.

Over the past ten years, CCHD has supported worker-owned cooperatives focused on paraprofessional healthcare, child care, cleaning, sewing and craft production and temporary employment businesses.

*Source: US Federation of Worker Cooperatives

“Workers not only want fair pay, they also want to share in the responsibility and creativity of the work process.”

- On Human Work #15

In 2005 CCHD funded worker-owned cooperatives:

- Created more than 90 jobs—the majority of which are full-time.
- Ensured a livable wage averaging nearly \$10 per hour.
- Provided benefits such as equity shares, health care and child care.

Why does CCHD fund worker-owned cooperatives?

- The Catholic Church has long sought alternative structures that can create a more just society and economy. CCHD’s economic development program embodies this framework as it fosters worker-owned businesses and other innovative structures that provide opportunities for low-income persons as they **work their way out of poverty**.
- CCHD’s economic development program provides grants to support the **creation of jobs and just workplaces** where low-income workers can participate in the economic life of society.
- By having a voice in the decisions, ownership and potential profits of the business where they are employed, low-income workers are **empowered**.

The WAGES Story

Helping immigrant women form environmentally sound house cleaning cooperatives

The mission of Women's Action to Gain Economic Security (WAGES) is to promote the economic and social well-being of low-income women through cooperative business development.

The typical residential housecleaner in the San Francisco Bay Area is a Latina woman from Mexico or Central America. The average starting wage for commercial housecleaning is \$7 per hour. Few companies offer benefits such as sick leave, vacation, or health insurance.

WAGES helps immigrant women form environmentally sound housecleaning cooperatives. These businesses have carved out a unique and profitable niche in the greater San Francisco Bay Area. The cooperatives are structured as limited-liability companies whose operating strategy supports a democratic decision-making and profit sharing by the women who clean. Women earn \$11-\$14 per hour while creating a healthier work environment for themselves by using eco-friendly cleaning techniques. They also learn valuable communication and leadership skills that help them succeed as co-owners of a fast-paced business.

For more information go to www.WAGEScooperatives.org

"Before Emma's I worked as an assembly worker for ten years. I didn't like being an employee. They didn't recognize my capacities. Now, I'm doing work I like to do, I have opportunities to learn new skills and I'm more confident."

WAGES Cooperative member

Interested in learning more about starting a worker-owned cooperative? Check out these organizations.

ICA Group www.ica-group.org

National Cooperative Business Association
www.ncba.coop

U.S. Federation of Worker Owned Cooperatives
www.usworker.coop

To learn more about the CCHD Economic Development Program goals, criteria and funding guidelines, visit:

<http://www.usccb.org/cchd/edgengrant.shtml>