

# Catholic Campaign for Human Development

## Economic Development Grants

### 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 fifteen years, CCHD has supported worker-owned cooperatives focused on paraprofessional health care, child care, cleaning, sewing and craft production, and temporary employment businesses.

\* Source: U.S. 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

#### 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 in which they are employed, low-income workers are empowered.

#### Recently, CCHD funded worker-owned cooperatives that:

- **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.**

# The WAGES Story

Helping immigrant women form environmentally sound house cleaning cooperatives

*The mission of Women's Action to Gain Economic Security (WAGES), an Oakland-based non-profit organization, is to build worker-owned, green businesses that create healthy, dignified jobs for low-income women.*

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.

For over 15 years, WAGES has focused on creating jobs for Latina immigrant women who become members of housecleaning cooperatives that use environmentally friendly cleaning techniques to protect worker health and the environment while building stable, lucrative businesses that create economic stability for them and their families. At the four worker-owned co-ops that WAGES has developed, over 200 women have experienced the benefits of healthy, dignified work:

- **Above market incomes** (double and triple what most members have earned in previous jobs) and substantial increases in family income (more than 70% on average).
- **A range of benefits**, including medical and dental insurance, short and long-term disability insurance, and paid time off.
- **Opportunities to build leadership, life and vocational skills, and experience as co-owners with a voice in their business.**
- **Protection from harmful chemicals** and a chance to create a cleaner environment for the families who use the cooperatives' services and for our Bay Area communities.

WAGES' co-ops have reached nearly \$2.8 million in combined sales and provided green cleaning to over 2,000 Bay Area households in the East Bay, San Francisco, South San Jose, and Peninsula areas, sustaining 85 well-paid green jobs for low-income women.

For more information, go to [www.WAGEScooperatives.org](http://www.WAGEScooperatives.org)

**"Thanks to the co-op, I was able to buy a car and a house! Most important, I'm part of a business that protects the environment and is recognized in the community. We share a community with our clients, and they look at us with respect."**

**—Veronica, mother of two, co-op member since 2001**

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

**ICA Group** [www.ica-group.org](http://www.ica-group.org)

**National Cooperative Business Association** [www.ncba.coop](http://www.ncba.coop)

**U.S. Federation of Worker Owned Cooperatives** [www.usworker.coop](http://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>