

# Home Care Conference

March 2022



# New Data on Worker Cooperatives

## WORKER COOPERATIVES AND DEMOCRATIC WORKPLACES IN THE UNITED STATES

5,966  
WORKERS

612  
BUSINESSES

\$283.17 M  
GROSS REVENUE

NATIONAL  
SNAPSHOT



Democrat  
at Work  
Institute



The median firm size shrunk by three workers between 2018-20, a consistent trend that may point to a growing number of worker-owned startups, which tend to be smaller in size.

Worker Cooperatives have grown by more than 30% since 2019. Cooperatives and democratic workplaces identified in the 2021 Economic Democracy Survey estimate there are actually 5,966 worker cooperatives; many of which are roughly 10,000 workers, in the

### Number of Worker Cooperatives

Circle = presence of verified worker cooperatives or democratic workplaces

Circle size = number of verified worker cooperatives or democratic workplaces

Green circle = new addition for 2021

• = top 15 Metropolitan Statistical Area

Blue line 25 firms  
10-25 firms  
5-10 firms

This map shows areas with 5 or more verified worker cooperatives.

There are 64 firms on our list that do not belong to an official Metropolitan Statistical Area (MSA). We have considered these firms rural. Together, the 64 rural firms identified represent the second largest geographic concentration of worker-owned or democratic firms in the U.S.

CEO pay has skyrocketed 1,322% since 1978. In 2020 CEOs at U.S. corporations were paid 35x the typical worker. The 2:1 top-to-bottom pay ratio at U.S. worker cooperatives points to the prioritization of reducing internal inequality over other compensation goals.

## THE TYPICAL WORKER COOPERATIVE

MEDIAN SIZE:  
6 WORKERS

2:1  
TOP-TO-BOTTOM  
PAY RATIO

MEDIAN AGE:  
5 YEARS OLD

\$298,016  
MEDIAN FIRM  
REVENUE

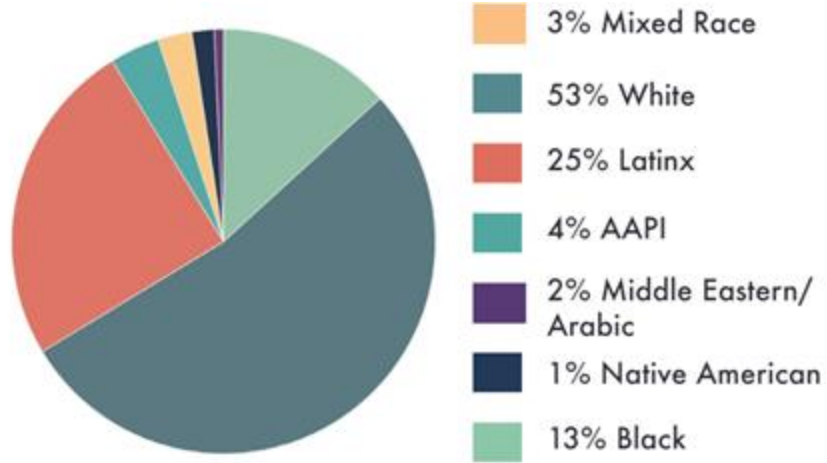
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Estimated  
10,000 workers

1000 worker  
cooperatives



How worker co-ops get started



## Race and Gender

### Age of Cooperatives vs. Conventional Businesses\*



The majority of U.S. worker-owned firms are startups established within the last 10 years.

On average, worker co-ops maintain a

# 2:1 pay ratio

Between its highest and lowest paid workers, in stark contrast to typical U.S. corporations, which has a 351:1 pay ratio.

## How co-ops shape up against conventional small businesses

# How worker co-ops get started



# Top 5 workplace practices at worker co-ops



- 75% have ownership pathways for non-members
- 69% have an annual budget or business plan
- 68% are structured to distribute patronage annually
- 58% elect board of directors that is majority members or some democratic governance like committees
- 56% maintain indivisible reserves not distributed to members

# How worker co-ops during COVID-19

Worker co-ops prioritized supporting community and cooperatives



- 61% worked with local or regional mutual aid networks
- 73% offered discounts or resources to meet community needs
- 60% offered resources and discounts to another cooperative during the pandemic



# How worker co-ops during COVID-19

## Operations and Staffing

- 80%** Remained open for the majority of the pandemic
- 50%** Kept operating hours level with pre-pandemic hours
- 49%** Worked to avoid layoffs through reduced hours and furloughs
- 35%** Increased capacity and hours to meet demand

**Steady hours in spite of declining revenue**

# Policy and Advocacy Initiatives



# Where is advocacy work happening?

Colorado grants for worker co-op development



CA legislation to be introduced



NYC Worker Co-op Advocacy Platform



MA Legislation introduced

# Where is advocacy work happening?



Main Street Employee  
Ownership Act



Regional Innovation Hub Act  
*introduced*



Capital for  
Cooperatives Act  
*introduced*



National Worker Co-op  
Development Act  
*in the works*



Home care bill *in the works*



Want to learn more? Email  
us at  
[policy@usworker.coop](mailto:policy@usworker.coop) to  
help inform this important  
legislation



**MEMBER ADVOCACY / ABOGACÍA DE LA MEMBRESÍA**

# WORKER OWNERSHIP STATE ADVOCACY FELLOWSHIP PROGRAMA ESTATAL DE APRENDICES DE LA ABOGACÍA PARA TRABAJADORES-DUEÑES



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**September 2021 - February 2022**  
**septiembre de 2021 - febrero de 2022**