“This type of transition from top-down corporation to a democratically-run cooperative is radical in that it bucks the trend of the powerful conglomerates that one might think of when they think of American business.

But it’s also a surprisingly pervasive and traditionally American way of doing business.”

Worker co-ops that distribute surplus as patronage to members have a wide distribution of payments from $700 to $1,960,000 to the collective membership, with a median total patronage of $33,697 per year.

At a worker cooperative, compensation is measured in terms of both wages and patronage. Patronage, the worker-owner’s portion of the profit, can make a significant difference in annual compensation.

The entry level wage paid at all reporting worker cooperatives ranged from $8.50 / hour to $100 / hour, with many clustered around $12 - $15 per hour.

Worker co-ops that distribute surplus as patronage to members have a wide distribution of payments from $700 to $1,960,000 to the collective membership, with a median total patronage of $33,697 per year.

The vast majority of worker cooperatives have maintained a 2-to-1 top-bottom pay ratio or less. The average large U.S. corporation has a CEO-to-worker pay ratio of 303-to-1. This ratio indicates that worker cooperatives are prioritizing the reduction of internal inequality over other compensation goals.

2017 had significantly more reported female workers, likely due to more home care, child care, and cleaning cooperatives reporting. Additionally, there was a large increase in non-binary reporting, from 43 to 102 workers.

This report is based on the participating 105 businesses, and only businesses that generated revenue and paid workers during FY2017 were included in the effort. For more information visit https://institute.coop/2017-worker-cooperative-state-sector-report.
WORKER COOPERATIVES
AND DEMOCRATIC WORKPLACES IN THE UNITED STATES

450* KNOWN WORKER CO-OPS
6,734 WORKERS
$467,420,871 GROSS REVENUE

THE TYPICAL WORKER CO-OP...

EMPLOYS 9 WORKERS
BRINGS IN A MEDIAN REVENUE OF $588,698
HAS A 3.7% PROFIT MARGIN
PAYS AN AVERAGE WAGE OF $15.82**

* Includes 394 worker cooperatives verified operational in 2017, a net +6 increase for 2018 (early count, not included in our survey), and 50 Puerto Rican worker cooperatives (also not included in our survey). ** Based on 2016 data, due to insufficient data reported in 2017.