

# Campaign for Cooperation

SUPPORT PASSAGE OF THE NATIONAL COOPERATIVE DEVELOPMENT ACT

## TALKING POINTS

**Cooperatives** are owned and democratically controlled by their members, and work for the sustainable development of their communities.

**Economic Development** is needed in communities with high unemployment and economic problems exacerbated by years of recession. Co-ops increase the circulation of capital in local areas, and serve as anchor businesses, attracting additional development and community investment.

**Community Wealth Creation** - Cooperative businesses re-invest capital in their local communities by distributing profit to local owners, doing business with other local businesses, and through charitable efforts.

**Quality Jobs** – Co-ops typically provide more equitable wages, better working conditions, and more permanence than other businesses. Employee owned co-ops have a better survival rate than private small businesses, and are less likely to lay off members during economic downturns.

- **WAGES in Oakland, CA** has launched green cleaning business cooperatives for the past 15 years, increasing household incomes of the worker-owners by more than 50%, and providing health care in an industry where that is not typical.



**Consumer-owned food co-ops** can bring healthy, quality food to food deserts, while supporting regional farmers and local businesses

- The **Kensington Community Food Co-op in Philadelphia, PA** is owned by neighbors, working to open a food co-op to address the need for healthy, affordable food in their community. Having access to co-op development advisors and financing would make all the difference in KCFC getting off the ground.



**Credit Unions** offer a member-owned alternative to predatory lending practices, check cashing services, and payday lenders by providing mechanisms to help low wage earners develop assets.

- **TULIP Credit Union in Olympia, WA** is a low-income credit union, chartered specifically to serve people who are often excluded from the formal financial industry.



**The National Cooperative Development Act of 2011** will help create jobs and community development by supporting cooperative business development in underserved communities. It will:

- Provide funds that will enable communities to get free/low-cost technical assistance to start new co-op businesses and strengthen of existing co-ops.
- Create loan programs that will enable cooperative businesses to start and expand.
- Provide training to grow the pool of professional cooperative business developers who can help communities start and expand co-ops.

**Budget Concerns** – At a maximum appropriation level of \$25 million per year, this program is designed to be low-cost and high-impact. By funding the work of business developers, the program will create more businesses and jobs per dollar invested than by investing in individual businesses. Additionally, the revolving loan fund and matching grant features multiply the effectiveness of each dollar invested in this program.