

COOP CARD*

Location: New York

Year of foundation: 2017

Sector: Platform cooperative

Key themes: Platform cooperatives,











CONTEXT

The term "gig economy" includes all freelance and contract workers. The Bureau of Labor Statistics (BLS) of the United States <u>reported</u> that there are 1.6 million gig economy workers in the US, working for services like Uber. They account for 1% of the US workforce. Under the gig economy, workers are becoming ever more commodified and controlled by the digital platform's terms and conditions. In addition, on average, gig workers earn 58% less than full-time employees. More than half don't have access to employer-provided benefits.

Domestic workers are often considered "the original gig workers" because they have long known the precariousness of low wages, job insecurity, few to no benefits, wage theft, and other conditions that workers in many other sectors are facing today. There are more than 2 million domestic workers across the United States, and over 90 % of them are women, a majority of whom are immigrant, black, hispanic or belong to other ethnicities.

*Information collected during a fieldwork carried out in June-July 2019.

AUTHORS

Sara Vicari, Andrea Mancori, Cécile Berranger, Giorgia Amato









The term platform cooperatives was <u>coined by Trebor Scholz</u> and he defined them as "businesses that use a website, mobile app, or protocol to sell goods or services. They rely on democratic decision-making and shared ownership of the platform by workers and users". Nowadays, platform cooperatives are emerging around the world, especially in Spain, the UK and the USA, where public policies have been implemented to support this new form of cooperative.

COOP STORY

<u>Up&Go</u> is a cooperatively-owned digital gig platform through which consumers can book ondemand and quality residential and commercial cleaning services, carried out under fair work practices and conditions. In response to the influx of tech giants upending the cleaning industry, Up&Go was launched in May 2017 by domestic worker cooperatives in New York City. Workerowners - the majority of whom are women and immigrants - establish Up&Go's pricing and service policies, typically earning 25% more per hour than the local industry average wage. On Up&Go, 5% of the service price goes towards maintaining the platform. Whereas many major gig platforms use non-transparent pricing and often collect 20% to 50% of the fee for each job, Up&Go cooperative members also own the company brand and code. Through Up&Go, domestic workers are expanding their economic opportunities both to secure fair wages for their work and to share in the wealth generated by technology. Being in Up&Go has also been an opportunity for members to empower themselves, foster self-confidence and escape from exploitation and harassment. Currently, Up&Go is jointly owned by four worker cooperatives. It also aims to expand its membership to more worker cooperatives. Up&Go was developed with technical assistance from the Center for Family Life in Sunset Park, a community-based nonprofit organization that has been incubating worker-owned cooperatives in New York City since 2006. CoLab Cooperative, a workerowned digital agency, built the web app. Up&Go was developed with support from Robin Hood Foundations and Barclays.

HOW HAS THE COOPERATIVE CHANGED MEMBERS' LIVES?

- > Working conditions: Members can have higher income than in conventional companies and enjoy decent work conditions;
- > **Stability**: Members can rely on a more stable and remunerative market, whose access is easier thanks to the platform;
- Security: Members feel safe from harassment;
- **Working environment**: Members can increase their knowledge and feel supported by the other members. They feel economically and socially empowered;









SELECTED QUOTE

"Nowadays, I have other goals because I visualise them! They are tangible with the new salary conditions. We are not robots, we are human beings and we have feelings and we can have good and bad days. We are together and we have the support of each other"

Cirenia Domínguez - worker owner and board member of Up&Go



KEY LEARNING POINTS

- The alternative to the gig economy is here and it is called platform cooperatives. They are examples of how technology can be used in favour of workers, consumers, and users to work towards a fairer and more democratic society.
- > Platform cooperatives not only guarantee better working conditions, but also offer true control of the means of the enterprise, by granting workers the ownership of the platform's intellectual property.
- Worker cooperatives are powerful means for domestic workers, in particular migrant women, to avoid exploitation and improve their wellbeing. Even when organised as a platform coop, in-person participation is still fundamental for members to empower themselves and support each other.
- Cooperatives are a flexible and adaptive business model, capable of innovating and meeting emerging needs. This is proven by the experience of Up&Go and more generally by other platform cooperatives. They can be of inspiration to many communities around the world and replicable in different contexts and sectors

WATCH THE VIDEO

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