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European Parliament calls for the promotion of cooperatives

A new Resolution on the European Pillar of Social Rights states that the Social Economy, including cooperatives, is a good example for creating quality employment, supporting social inclusion and promoting a participatory economy

CECOP welcomes the European Parliament Resolution of 19 January 2017 on a European Pillar of Social Rights, led by MEP Maria Joao Rodrigues (S&D), which recognizes that cooperatives are an integral part of the social economy and calls for the social economy to be promoted. The text indicates that cooperatives, together with other social economy enterprises, “provide a good example in terms of creating quality employment, supporting social inclusion and promoting a participatory economy”. This position perfectly matches what Giuseppe Guerini, President of CECOP, had previously said: “The Pillar should support start-up and scale-up initiatives in cooperatives and the wider social economy in a logic of local and regional development and should thus be one of the key priorities for the Pillar”.

The European Parliament also calls for adequate measures to ensure availability and access for all to good quality and affordable social services of general interest, as well as other services of general interest, and also points to the important role played by social economy enterprises in providing these services and making the labour market more inclusive. This is something that CECOP has also been calling for.

Austerity measures

Although the text points out that the EU must respond to increasing frustration and concerns expressed by many people regarding uncertain life prospects, unemployment, growing inequalities and lack of opportunities, in particular for young people, we regret that the European Parliament fails to place a clearer emphasis on the need to bring an end to the ongoing strict austerity policies in the EU. CECOP had insisted in its position that there is little point in establishing the Pillar without, simultaneously, focusing “strongly on the growing level of inequality in the EU and without putting an end to the strict austerity policies that foster such inequality and are strongly limiting the very social policies which the Pillar is supposed to promote”.

Working conditions

We should also underline that the Resolution calls for the promotion of the social economy business models in the section on working conditions in the EU. This corresponds to what CECOP President Guerini had earlier stated: “Cooperatives can be seen as a model of reference: for cooperatives, flexibility means adapting to the situation on the demand side, but without altering wage conditions in such a way that the social rights of workers continue to be guaranteed, without layoffs, and with the

involvement of the persons who form the cooperative. On the basis of this experience, we believe that flexible work, in the terms in which we understand it, can be conducive to promoting social Europe”, indicates Guerini.

We regret that, whilst the Resolution fully recognizes the growth of precariousness (zero-hour contracts, the impact of digital platforms, etc.), it does not explicitly acknowledge that the informal economy is growing in Europe. At the same time, we welcome the fact that the resolution proposes “concrete and specific tools and a proposal for a framework directive on decent working conditions in all forms of employment, extending existing minimum standards to new kinds of employment,” which is once again something that CECOP had called for in its position. However, there is not enough emphasis on prevention measures.

Furthermore, the resolution does not clearly say that the Pillar should be extended to the whole EU and proposes that it should be optional. In their position, Cooperatives in industry and services stressed that the Pillar should be extended to the whole EU: “we do not understand the grounds on which it should be limited to the Eurozone, which focuses on monetary union”.

Related articles:

[European Parliament Resolution of 19 January 2017 on a European Pillar of Social Rights](#)

[CECOP position on the European Commission’s proposal for a European Pillar of Social Rights](#)

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CECOP – CICOPA Europe (*European Confederation of Worker Cooperatives, Social Cooperatives and Social and Participative Enterprises*) groups national organisations in 15 countries which in turn affiliate over 50.000 cooperative and participative enterprises in industry and services, the vast majority being SMEs, and employing 1.4 million workers across Europe. Most of them are characterised by the fact that the employees in their majority are members-owners, while some of them are second-degree enterprises for SMEs. Furthermore, around 4.000 of those enterprises are specialised in the reintegration of disadvantaged and marginalised workers (disabled, long-term unemployed, ex prisoners, addicts, etc).