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# WORKER AND SOCIAL COOPERATIVES REINFORCE SOCIAL EUROPE THROUGH DEMOCRATIC QUALITY WORK AND SOCIAL INCLUSION

CECOP POSITION PAPER ON THE UPCOMING EU ACTION  
PLAN TO IMPLEMENT THE EUROPEAN PILLAR OF SOCIAL  
RIGHTS



CECOP is the European Confederation of Cooperatives active in Industry and Services, represents 35,000 cooperatives (12,000 of which are social cooperatives) in 15 Member States of the EU, providing employment to over 1.3 million workers. CECOP welcomes the European Pillar of Social Rights and looks forward to work with the European Institutions on the development and implementation of the Action Plan to implement the Pillar.

The European Pillar of Social Rights is a crucial step forward to build a truly inclusive and social Europe. Together with the social and economic rights in the EU Charter of Fundamental rights, the European Pillar of Social Rights commits the EU and its Member States to improve its citizens' living and working conditions.

Together with Social Economy Europe, the Social Platform, the European Trade Union Confederation and the European Movement International, we are part of the 'Stand Up for the Social Pillar Alliance', with which we continue to work towards a social and inclusive Europe. We call upon the European Commission, the European Parliament and the Council to actively engage with the stakeholders of this alliance to ensure that the expertise and needs of this network are heard in all steps of the making and implementation of the Social Pillar Action Plan.

Worker cooperatives, based on the values of self responsibility, self-help, democracy, equality and equity, provide and defend the social rights of their members and of the communities they grow with. By identifying challenges and developing solutions to serve the wellbeing of their members, cooperatives developed multifaceted strategies to promote social rights. This potential has been acknowledged by the European Parliament in its Resolution on the European Pillar of Social Rights from 19 January 2017.

## WORKER AND SOCIAL COOPERATIVES ARE AT THE FOREFRONT IN PROVIDING EQUAL OPPORTUNITIES AND ACCESS TO THE LABOUR MARKET

One of the greatest problems that European Societies are facing and that undermine efforts to create a truly social Europe are the ever-increasing inequalities. Globally, the top 8 richest people on the planet, possess as much wealth combined, as the 3.7 billion poorest ones. But inequalities are dire not only in the distribution of wealth. Other inequalities prevent people from developing their potential and living a life in freedom and dignity. Unequal access to employment, education, health services, and social protection reinforce and deepen existing inequalities. Worker and social cooperatives are fighting these causes of inequalities across Europe by providing fair wages for employees and creating opportunities for disadvantaged people.

The services that social cooperatives provide put them at the heart of 'Social Europe': Nursing homes and home care for the elderly, kindergartens and schools, and health services are just few of the many example where social cooperatives provide crucial social services for their communities.

Worker cooperatives are at the forefront of providing workplaces that promote gender equality and ensure employment for young people. Data has shown that French and Spanish worker cooperatives have more women and people under 35 within their management than conventional enterprises, taking the cooperative principles of equality and equity to action. Furthermore, cooperatives can play a crucial role in including long-term unemployed into the labour market and invest in their training and skills development, both by providing employment and as self-help projects established by unemployed people.

In Italy alone 400,000 workers are employed in social cooperatives, almost a quarter of these in work-integration social cooperatives and more than 1,000 cooperatives were established by formerly unemployed people in Poland. Social cooperatives across Europe also provide opportunities for people with disabilities, such as work integration and access to services, and thereby contribute to the full inclusion of people with disabilities.

The Social Pillar Action Plan needs to acknowledge the important role that worker and social cooperatives play in creating equal opportunities and access to the labour market.

## DEMOCRATIC WORKPLACES ENSURE FAIR WORKING CONDITIONS

Cooperatives in industry and services provide high-quality employment for more than 1.3 million workers across the European Union. The democratic nature of worker cooperatives ensure that the voices of the workers are heard. Therefore, cooperatives are proving quick to new demands on new working conditions in an ever-changing work environment.

Especially with the appearance of platform and non-standard work (such as subcontracting, freelance work, platform work), and informal work, national legislation often lags behind the developments in the labour market. This leaves many workers vulnerable, with limited access to a safe workspace, precarious work environment, oftentimes without access to social protection, and raises issues of data ownership.

During the current COVID-19 pandemic, the safety and health of workers have been a key concern for cooperatives. Some platform cooperatives grant workers access to occupational health and safety by providing information, PPE, and others, while allowing to preserve the need of workers for flexible work arrangements.

At the same time, platform cooperatives can also give workers access to improved work contracts, ensuring that the workers' needs for stability and a flexible work arrangement are met. Furthermore, due to the democratic nature of cooperative governance, the algorithms used by digital cooperatives are often designed keeping in mind transparency and workers data sovereignty.

## **WORKER COOPERATIVES FIGHTING FOR THEIR WORKERS' ACCESS TO SOCIAL PROTECTION**

Every citizen of the European Union has the right to access Social Protection. However, most national social protection systems are linked to employment and standard work arrangements. With the increase in platform and non standard work, this link has proven to be problematic, with more and more workers being denied access to social protection.

Several worker-owned cooperative solutions have been developed across Europe to address the lack of social protection for platform workers. The Action Plan needs to acknowledge the role of worker-owned cooperatives in providing workers access to social protection. At the same time, it needs to be the aim of the action plan to provide access to social protection for all workers, regardless of their work contracts. Where a cooperative solution is feasible to ensure workers' access to social protection, this model should be promoted to workers and policy makers as a viable option.

## SUPPORTING WORKER AND SOCIAL COOPERATIVES TO REINFORCE SOCIAL EUROPE

To ensure that the full potential of cooperatives to deliver these crucial components of the European Social Pillar is harnessed, CECOP calls on the European Commission to use the Social Pillar Action Plan to:

- Acknowledge the success of cooperatives in Reinforcing Social Europe by including CECOP in the drafting of the Action Plan.
- Acknowledge the important role of social cooperatives in the inclusion of long-term unemployed and persons with disabilities.
- Promote cooperative solutions to the challenges of non-standard work.
- Provide funding opportunities for cooperatives committed to implement the European Pillar of Social rights.
- Work with the Member States in implementing favourable legal frameworks to establish and support cooperative enterprises.
- Ensure that every citizen is granted access to social security schemes, regardless of their type of employment or work contract.



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