

## CECOP's position on European Commission's Public consultation on a possible EU action addressing the challenges of access to social protection for people in all forms of employment in the framework of the European Pillar of Social Rights

Brussels, January 2018

CECOP welcomes the European Commission's attention to the matter and support the idea to guarantee access to social protection to all the workers, including those in non-standard situation, as described in the Commission's document. A strong initiative coming from the European Commission together with a sound commitment from the member states could contribute to reduce social inequalities in Europe.

Despite the diversity of situations, legal statutes and national's contexts, one of the major problems for non-standard workers is the absence of mechanisms providing access to existing social rights. As often in the past, cooperatives are a place for **experimentation** and **innovation** when it comes to securing people's needs and work situations. An increasing trend of **cooperatives established and owned by independent workers/producers**<sup>1</sup> has been noticed across EU. This model responds to the needs of both conventional professions characterised by self-employment (artisans, architects, doctors, taxi drivers etc), and the emerging category of non-standard workers characterised by a high risk of precariousness, like those active in creative industries or digital economy (graphic designers, artists, journalists, couriers, etc).

The cooperative offers a double advantage to those workers / producers:

- they maintain all the advantages deriving from the autonomy in the organisation of their work, relations to clients etc
- through the democratic governance and control proper to cooperatives, they benefit from a series of advantages (like economies of scale) and mutualised services, consultancy and trainings, administrative and legal services, advocacy etc.).

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<sup>1</sup> We use the term "independent workers/producers" to design the self-employed and all the workers or producers characterized by non-permanent situation, it thus appears to correspond to the European Commission's "non-standard workers" term

In addition, in some of them (like the SMart model, see below), the worker/producer members benefit from an employee status and access to all the social rights and protection which an employee is entitled to.

**SMart** is a Belgian cooperative grouping today over 100,000 independent workers/producers mutualising services and risks and providing support such as training, financing, crowdfunding, management, legal and financial tools, etc. But mostly, it allows the independent workers/producers to be autonomous while working under the salaried status which opens rights to best social protection. The SMart model is being quickly replicated across Europe and is present today in 9 countries (Belgium, Germany, Austria, Spain, France, Hungary, Italy, the Netherlands and Sweden).<sup>2</sup>

In this way, the French government has adopted in 2014 a law on Social and Solidarity Economy. Among other provisions the law defines the missions and the operating rules of **coopérative d'activités et d'emploi** (business and employment cooperatives or CAE, acronym in French) and the status of the *entrepreneur-salarié* (**salaried-entrepreneur**). The latter is a natural person who creates and develops an economic activity whilst benefitting from a full-fledged and legally recognized employee status with all the social protection which this entails, as well as individually tailored support and pooled services made available by the CAE with a view to becoming a member within three years starting from the date of the conclusion of his / her contract with the cooperative.

An important category of workers not mentioned in the consultation but concerned by precariousness and any access to social rights are the increasingly numerous workers in the informal economy (workers in care services, domestic or construction workers etc.). Here again cooperatives can be a way to recover rights and protection, like the ILO has formally recognized recently<sup>3</sup>. Numerous examples of cooperatives exist in personal and household services, care services, and among home-based workers<sup>4</sup>.

We ask the European Commission to encourage member states to adopt **adequate legal frameworks** enabling the establishment of cooperatives of independent workers/producers and the adoption of a **status for salaried entrepreneurs** similar to the CAE one in France.

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<sup>2</sup> <http://smartbe.be/fr/>

<sup>3</sup> see ILO Transition from the Informal to the Formal Economy Recommendation, 2014 (n°204)

<sup>4</sup> see ILO, Cooperation among Workers in the Informal Economy; ILO: Geneva, 2017