

CECOP's position on the European Commission's European Pillar of Social Rights

Brussels, 11 May 2017

CECOP welcomes the European Commission Social Pillar package, which represents a firm commitment for a more social, inclusive and fairer Union: it was high time! Cooperatives in industry and services across Europe are ready to contribute to its implementation, but since the initiative is of a non-binding nature, they are concerned about the differing levels of commitment which may be made by the Member States. Moreover, CECOP regrets that no incentives for investment are foreseen and is strongly concerned about the distinction being made between Eurozone and non-Eurozone citizens. At a time when there is a marked increase in Eurosceptic tendencies, the EU cannot afford to widen socio-economic inequalities among Europeans!

THE CONTRIBUTION OF COOPERATIVES IN INDUSTRY AND SERVICES TO PRINCIPLES AND RIGHTS ENSHRINED IN THE PILLAR

By their very nature, cooperatives in industry and services across the EU contribute to a competitive economy, aiming at full employment and social progress. Since they are the expression of workers', citizens' and community needs, they constantly adapt themselves to new employment and societal contexts through the creation of new typologies. Their contribution was recognized by the European Parliament Resolution of 19 January 2017 on a European Pillar of Social Rights, which states 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".

Cooperatives in industry and services contribute mainly to the following principles and rights enshrined in the Pillar:

- Equal opportunities and access to the labour market

Cooperatives in industry and services provide **equal opportunities** not only as employers but also as providers of services of general interest. Democratically controlled by their members, they do not discriminate since their membership is open to all citizens. Social cooperatives are known to be important employment and service providers for disadvantaged and under-represented groups, contributing to their professional, social and economic integration through personalised **active support**.

Cooperatives in industry and services are also characterized by having a substantial percentage of women and young people in management positions. They have a strong commitment to workers' life-long learning, training and internal mobility career prospects.

- Fair working conditions

When it comes to **secure and adaptable employment**, cooperatives in industry and services strive for fair and equal treatment regarding working conditions, access to social protection and training.

The increasing tendency to creative cooperatives of self-employed or freelancers is providing a model that combines autonomy and protection, whilst at the same time ensuring the access of individual entrepreneurs to social protection. It is perfectly in keeping with the European Commission's (EC) focus on fostering innovative forms of work that ensure quality working conditions and the promotion of entrepreneurship and self-employment. In order to combat precarious working conditions, Member States should promote the creation of cooperatives of self-employed or freelancers through appropriate legal frameworks and support measures. In this sense, we welcome the EC consultation addressing the challenges of access to social protection and related employment services for workers in non-standard employment.

The flexibility for employers to adapt swiftly to changes in the economic context promoted in the Pillar should also include support measures in favour of the transfer of closing businesses to employees under the cooperative form, since it has been proven than businesses transferred to employees show high rates of enterprise survival and of job protection and creation, provided that the necessary support environment and policies are in place. As for the measures regarding the **involvement of workers**, CECOP supports workers' information and consultation rights which allow them to have timely information, notably in the case of of transfer and restructuring possibilities in order to give them enough time to envisage workers' buyout plans.

- Social protection and inclusion

A substantial number of social cooperatives, which are one of the types of cooperatives in industry and services, are specialized in the **inclusion** of disadvantaged groups, including **people with disabilities**. They provide them with essential services for a dignified and decent life, as well as a work environment adapted to their needs. Moreover, they include them in the enterprise governance when possible, providing empowerment and active participation in the enterprise and, on this basis, in wider society as well.

When it comes to **long-term care**, social cooperatives providing affordable and quality health and social care services are becoming an important reality in Europe, with thousands of enterprises already providing these services. A significant amount of them provide home-care and community-based and led services. The fact that they are

community-led (often associating different categories of stakeholders, such as service users, providers, local authorities and professionals in their governance and control) increases the relevance and quality of the service provided. This makes them essential partners for Member States in the implementation of this Pillar priority and major employers in the care sector.

Cooperatives also ensure **access to essential services** such as water, energy, transport, financial services and digital communications. Support for promoting this type of cooperatives should also be encouraged.

IMPLEMENTATION OF THE PILLAR

CECOP recognizes the fact that the Pillar provides Member States with a positive political signal, but is worried that without binding provisions its implementation will differ from one Member State to another. In addition, we are concerned that without clear investment instruments, many measures set out in the Pillar will go unheeded. Moreover, the European Pillar of Social Rights should not be subordinated to the completion of Europe's Economic and Monetary Union. The Pillar's implementation is in blatant contradiction with austerity programmes leading to cuts in social security spending, public investment and active labour market policies, all of which are indispensable elements for making the Pillar effective. In this regard, lessons should now be learned from other EC initiatives such as the Europe 2020 Strategy and the Social Investment Package, that have so far failed to produce the expected results on the ground, whilst in the meantime the boat is sinking and anti-European voices are becoming increasingly louder, placing the entire European project at risk.

Related documents:

Read CECOP's [reaction](#) to the European Commission's consultation on the European Pillar of Social Rights

Read CECOP's [reaction](#) to the European Parliament Resolution of 19 January 2017 on a European Pillar of Social Rights

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 majority of their employees are member-owners, while some of them are second-degree enterprises for SMEs. Furthermore, around 4,000 of these enterprises are specialised in the reintegration of disadvantaged and marginalised workers (persons with disabilities, long-term unemployed, former prisoners, addicts, etc.).