

# Reaction to EC evaluation of the Council Recommendation on the integration of the long-term unemployed in the labour market

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*Long-term unemployment has affected 12 million Europeans since the economic crisis started in 2008. A long-term unemployed person is, in EU and OECD terms, somebody who has not been in employment for 12 months or more. Needless to point out that the economic crisis has deepened the scale of this problem, leading to dire social consequences. Still nowadays, while the overall unemployment rate has decreased, almost half of the unemployed persons in the EU are long-term unemployed.*

## Context

When the European Commission proposed to the Council a consultation on provision of services to the long-term unemployed in 2015, CECOP issued a [reaction paper](#), pointing out several cooperative contributions to the long-term unemployment scourge.

In February 2016, the [Council Recommendation](#) on the integration of the long-term unemployed in the labour market is published and, as foreseen by the Recommendation itself, on the 14<sup>th</sup> of April 2019, the European Commission reported to the Council the [evaluation](#) of the Council Recommendation taking into account the implementation's state of play at the Member States' level.

The Recommendation calls on Member States to: 1) **Encourage registration** of the long-term unemployed with an employment service; 2) **Increase individualised support** and ensure delivery of a job-integration agreement by 18 months; 3) Improve the continuity of support by **coordinating the available services** through a single point of contact; 4) Encourage the development of **partnerships** between employers, social partners and services, authorities, training providers...

The Commission's evaluation covers the five criteria of the Better Regulation requirements: effectiveness, efficiency, coherence, relevance and EU added value. Based on the overall figures of employment rates, the assessment by the Commission is positive. In particular, the long-term unemployed percentages went from 5.2% in 2013 to 3.5% in 2017. At the same time, among the unemployed the share of long-term unemployed is still a significant 45%.

## Cooperative contribution to the issue of long-term unemployment

While the general trend is positive, CECOP remains cautious since the figures do not take into account the type and duration of contracts. Therefore, it is not easy to evaluate whether these jobs constitute quality jobs, where the work relation is characterized by actual contracts and access to social protection.

While CECOP shares several suggestions to Member States pointed out by the Commission, such as the need to intensify the employers' involvement, in particular by "supporting the development of social enterprises offering job and training opportunities for the long-term unemployed", we regret that the role of cooperatives, and social economy enterprises in general, has not been taken into account specifically in the evaluation framework. While it has been demonstrated that in many EU countries, cooperatives contribution to the work inclusion of long-term unemployed has been crucial.

The cooperative contribution to the issue of long-term unemployment is two-fold.

On the one hand, CECOP's cooperatives operate in the field of labour integration of disadvantaged groups (people with disabilities, migrants, youths...). More than just providing a job, work integration social cooperatives within our network invest in training ensuring tailored jobs also for persons with specific needs (persons with disabilities or facing social exclusion). They can provide a sustainable job or act as a stepping-stone for those willing to reintegrate other types of enterprises.

As far as the integration of the labour market is concerned, an interesting example comes from Italy where many social cooperatives have taken the lead in providing unemployed people with training, coaching and actual employment placement in several kinds of enterprises, not only cooperative ones.

On the other hand, when guided by cooperative organisations, cooperative entrepreneurship can represent a real opportunity for long-term unemployed: it not only provides them with a job, but also with the responsibility to become co-owners of the enterprise. A great number of worker cooperatives established by long-term unemployed can be found in Italy and Spain, combining economic performance and providing quality jobs. The cooperative project combines income with social inclusion and personal empowerment: cooperatives are committed by definition to provide training for their cooperators and employees, which helps those who were out of the labour market for a long time to gain new skills).

### Focus on Italy

In the context of an increasingly competitive labour market, many worker and service cooperatives in Italy play an important role in providing unemployed people (often coming from disadvantaged groups) with access to jobs. Sectors such as facility management, cleaning, collective catering and freight logistics employ thousands of workers who, thanks to the cooperative form, manage to have a "second chance" to get back into the labour market.

As for work integration enterprises, Italy counts roughly 4,000 work integration social cooperatives, employing about 60,000 people: 30% of them are disadvantaged workers (people with physical or mental disabilities, convicts, or admitted to alternative non-custodial measures, people with addictions). Therefore, almost 18,000 people find a job they would not otherwise find, thanks to the nature itself of the social cooperative model, combining economic performance and social mission.

Over the past few years, because of the economic crisis, Italian social cooperatives have enhanced their efforts and have been in the frontline working to integrate in the labour market long-term unemployed individuals. According to the latest estimations, at least 12,000 formerly unemployed workers have found a job thanks to social cooperatives.

Certainly, the data is sensitive to the high labour intensity of the main sectors where social cooperatives operate (cleaning, grounds care, waste management services, reuse and recovery of waste materials, etc.), but the actual success lies in the inherent features of the cooperative model.

#### CONSORZIO MESTIERI

Among the most successful experiences, [Consorzio Mestieri](#) is an Italian consortium composed of social cooperatives, which has now 163 permanent employees and operates in several Italian regions. Its aim is to act as mediator and accompany unemployed people to find a job, by proposing vocational and “on the job” trainings and a direct connection with employers.

#### ECOSVILUPPO

The [Ecosviluppo](#) social cooperative is active in the field of waste management and employs 206 people in the north of Italy. They create synergies with local authorities, social services and NGOs in order to integrate marginalised groups into work. 29% of the workforce is composed of disadvantaged people (either addicts, persons with disabilities, convicts) and 15% of long-term unemployed.

*CECOP is the European confederation of industrial and service cooperatives. Our members are national federations of cooperatives, and organisations that promote cooperatives. Present in 15 European countries, we give voice to 40,000 enterprises, employing 1.3 million workers.*

*Our social cooperatives are very engaged in the work integration of disadvantaged groups and long-term unemployed.*

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