

CECOP's contribution to the European Commission's call for evidence on the Quality Jobs Roadmap

CECOP, the European Confederation of Industrial and Service Cooperatives, welcomes the opportunity to provide feedback to the European Commission in developing its Quality Jobs Roadmap. CECOP represents approximately 43,000 cooperatives across Europe, being mainly worker cooperatives, social cooperatives and cooperatives of autonomous workers¹. In turn they employ over 1.3 million people. These are democratically owned and managed enterprises that contribute to sustainable and inclusive growth by combining economic performance with social progress.

Cooperatives represented by CECOP provide quality, meaningful and empowering jobs, including to those furthest from the labour market and in vulnerable positions. Their contribution to quality jobs is manifold:

...regarding **fair wages and good working conditions**, cooperatives offer **lower pay gaps**, both in terms of the gender pay gap, but also in terms of the gap between the lowest and highest wage within the enterprise. Besides being more equal wage-wise than for-profit enterprises, cooperatives are also characterised by **inclusivity**. This is demonstrated by work integration social cooperatives, whose mission is the employment and social integration of vulnerable groups, but also by the inner characteristics of a worker cooperative where all workers can become worker-members, i.e., co-owners of the enterprise, where they are involved in the management and the control of the enterprise. In fact, **worker-ownership** is the key to fair wages and working conditions as it is the workers themselves that make the decisions on how their work should be organised and how to ensure the durability of their jobs and of the cooperative.

...in terms of **training and fair job transitions**, cooperatives have an intrinsic commitment to invest in education, training, and information as it is one of the seven cooperative principles². In practice, cooperative enterprises play an important role in **providing training opportunities** for their members. As reported in our 2021 publication, 99.35% of worker cooperatives included in our Spanish sample have developed measures to encourage the

¹ Worker cooperative are democratically managed enterprises owned by the workers, with the aim to create and maintain sustainable jobs, improve the quality of life of the worker-members. Social cooperatives may focus on providing social services, particularly in areas where public authorities are unable to do so or contributing to the work integration of disadvantaged and marginalised people; they can be worker-owned or characterised by the multistakeholder governance. Cooperatives of autonomous workers (freelancers, self-employed) allow peers to mutualise risks and costs and combine autonomy with flexibility and security.

² International Cooperative Alliance. Cooperative identity, values & principles. Available at:
<https://ica.coop/en/cooperatives/cooperative-identity>

training of their employing, e.g., via providing a promotion and education fund, and 57.14% of these cooperatives provide training to workers during their working hours and cover additional costs. Similarly, according to our study, in 2018-19, social cooperatives in Italy provided an average of 520 hours of training to 26% of their human resources.³ Driven by their motivation to ensure the enterprise and jobs durability, cooperatives embody a **culture of lifelong learning** and skill enhancement which also contributes to ensuring that the demands of the twin digital and green transitions are met. Furthermore, work integration social cooperatives in particular are well-positioned to provide **tailored support for marginalised groups** and help them gain experience.

...while **democracy at work** is often facilitated by social dialogue, it should not be reduced to it. Democratic governance in cooperatives, where the members actively participate in decision-making, empowers workers, allows them to have a say in decisions in their workplace, gain new skills and thus increases job satisfaction. Therefore, in addition to fair wages, good working conditions, and training opportunities, democracy at work should be emphasised as an element that strengthens job satisfaction, thus contributes to the creation of quality jobs.

The cooperative model is a century-old tried-and-tested model. It is resilient – as demonstrated by its endurance during times of crisis, such as the COVID-19 pandemic – and highly flexible, capable to adapting to socioeconomic changes. Through collective entrepreneurship, cooperatives provide opportunities to transition from **the informal economy to the formal economy**. With the increase of non-standard work becoming increasingly prevalent, **cooperatives of autonomous workers** (freelancers, self-employed, etc) offer through mutualised services protection and flexibility. Similarly, as a response to the rising prominence of platform work, **platform cooperatives** are increasingly established. Unlike traditional capitalistic platforms, which prioritise shareholder profits, platform cooperatives offer a sustainable, human-centred alternative that allow for workers to benefit from the advantages of the platform economy while keeping a democratic oversight on the organisation of work, algorithmic management, and access and ownership of their data.

Finally, cooperatives also offer a solution to anticipating and managing economic change, particularly through the model of **workers' buyouts** (WBOs), that is, business transfers to the employees under the cooperative model. When businesses face succession challenges or risk closure, converting them into a worker-owned cooperative allows for the preservation of jobs, skills, and economic activity in the local area, thus fighting deindustrialisation as well. WBOs can also serve as tool to deal with transition and succession challenges in healthy businesses. Early anticipation can significantly increase the chances of successful workers' buyouts: early warning mechanisms that a business is about to go through a succession crisis, awareness raising of the existence of WBOs, worker involvement in the early stages of business transfers, and targeted support structures can help identify viable businesses in transition and prepare the employees for taking them over, thereby successfully maintaining the enterprise in the local community.

³ CECOP. Lasting Impact. 2022. Available at:

https://mcusercontent.com/3a463471cd0a9c6cf744bf5f8/files/b86afc11-1cab-13ff-afd3-d5ec375a8610/CECOP_lasting_impact_digital.pdf

In light of the above-mentioned reasons why the cooperative model provides quality jobs and selected methods for ensuring quality jobs are maintained or newly created in the face of geopolitical and socioeconomic challenges, the upcoming Quality Jobs Roadmap should consider the following recommendations.

1. Recognise and promote the worker-ownership model as an employment relationship characterized by quality working conditions

Cooperatives uphold values of self-help, self-responsibility, democracy, equality, equity and solidarity. Worker cooperatives empower worker-members, including women, low-skilled workers, people with disabilities, and other vulnerable groups, by giving them ownership over the enterprise. Moreover, work integration social cooperatives assist in the integration of vulnerable workers into the labour market. At the same time, their lack of visibility leads to limited policy recognition and the underutilization of their potential to contribute to inclusive labour market development. To this end, the Quality Jobs Roadmap must take into account worker and social cooperatives as examples to follow in terms of providing quality jobs. Member States should be encouraged to adopt legislation allowing the creation of worker cooperatives and social cooperatives.

2. Ensure better access to finance for cooperatives to maintain and expand their role as providers of quality jobs

State Aid regulations should recognize the social function of cooperatives and to unlock their full potential, cooperatives must be given fair access to finance, public procurement, and EU-level funding instruments, such as the InvestEU Social Investment and Skills Window which has been crucial in supporting job creation and retention in cooperatives. Particularly in sectors where the EU faces labour shortages, such as the care sector, which is characterised by poor working conditions and therefore high employee turnover, cooperatives provide quality employment opportunities⁴, however, they require support. To this end, the Quality Jobs Roadmap should provide solutions to tackling the lack of access to finance across cooperative enterprises, with specific sectoral solutions for the most disadvantaged sectors, such as the care sector.

3. Provide targeted support to cooperatives to expand their training programmes

Recognising the interlinkage between quality jobs, skills training, and fair job transitions, the Roadmap should provide support for training programmes. Cooperatives, operating under the seven cooperative principles, including one on education, training and information, provide opportunities to their members to enhance their skills, particularly in the context of the twin digital and green transitions. However, in order to enhance their training programmes, they require specific, targeted financial support.

⁴ CECOP. Cooperatives Care!. 2022. Available at: <https://cecop.coop/works/cooperatives-care-advantages-of-the-cooperative-model-for-meeting-multiple-care-related-needs-and-challenges-in-the-eu>

4. Support the creation of cooperatives among autonomous workers

Cooperatives among the self-employed, freelancers, and other autonomous workers allow workers to combine security (mutualisation of services, access to social protection, etc) and flexibility. They may provide administrative, financial or accountancy services, legal and consultancy services, information and training, coworking spaces, and more⁵. The Quality Jobs Roadmap should take into account this cooperative solution to the rise of non-standard employment often characterised by precarious work conditions and weak social protection. Member States should be encouraged to adopt legislation allowing the creation of cooperatives among autonomous workers.

5. Promote workers' buyouts as a way to create quality jobs

Workers' buyouts (WBO), or business transfers to the employees under the cooperative model, are an effective tool to maintain knowledge, skills and jobs within the territory⁶. As such, WBO react to succession challenges, fight deindustrialisation and ensure the creation of quality jobs within the enterprise following the transition of a traditional business to the cooperative model. As a powerful tool to create quality jobs, the European Commission should promote and incentivise WBOs by:

- a. Making financial support available for advisory services and technical assistance for WBOs, including through ESF+⁷
- b. Supporting direct financial mechanisms to aid workers investing in enterprises for a WBO
- c. Maintaining the Social Investments and Skills Window of the InvestEU funding programme for the support of WBOs
- d. Supporting awareness raising campaigns about WBOs
- e. Providing tax incentives for WBOs
- f. Granting preferential rights to workers to give them the best conditions for a takeover bid for an enterprise facing closure
- g. Encouraging financial intervention from regional authorities thereby completing workers' capital contribution and cooperative financial interventions
- h. Supporting cooperative organisations' capacity to increase interventions in equity and quasi equity and create specific guarantee to support WBO

6. Include cooperative stakeholders in the development of the Quality Jobs Roadmap

⁵ CECOP. All for One. 2019. Available at: <https://cecop.coop/works/cecop-report-all-for-one-reponse-of-worker-owned-cooperatives-to-non-standard-employment>

⁶ CECOP. Report from CECOP's conference – Workers Buyouts – what is the cooperative key to success?. 2023. Available at: https://www.cecop.coop/uploads/file/CECOP_WBO_report.pdf

⁷ fi-compass. ESF+ Study on Worker's Buyout, Summary Report. 2025. Available at: https://www.fi-compass.eu/sites/default/files/publications/ESF%2B%20WBO%20Final%20Report_RTW.pdf

As cooperatives are proven providers of quality jobs, it is important to include them in the development of the Roadmap. They offer valuable insights, best practices and innovative solutions from varied socioeconomic contexts across the EU, and their participation will ensure that the Roadmap reflects diverse approaches.

7. Ensure coherence with other EU initiatives

To ensure its success, the Quality Jobs Roadmap should be coherent with the Social Economy Action Plan, the European Pillar of Social Rights, the Platform Work Directive, the Union of Skills, as well as the upcoming Anti-Poverty Strategy and the Circular Economy Act.

Cooperatives are an innovative and adaptable business model that provide a long-term and workers-oriented approach. It is imperative that the Quality Jobs Roadmap fully acknowledges and integrates the role of cooperatives in creating and providing quality jobs across the EU.