



Promotion of Social Cooperatives

Definitions, demarcations, regulation and target groups

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Outline

- ILO and cooperatives
- Definitions and demarkations
- Relevant policies and points of caution
- Provision of care through cooperatives
- Youth engagement via cooperatives
- Refugee response through cooperatives

Why is the ILO interested in cooperatives?



International
Labour
Organization

- Mandate stated in the ILO constitution
- Recommendation No. 193 is the only global normative instrument on cooperatives
- Cooperatives contribute to the achievement of decent work and social justice
- Proven record of creating and sustaining decent employment

Decent work at the heart of the ILO

... and the cooperative response

Set and promote standards and fundamental principles and rights at work

Formalization;
Reaching out to communities;
Promote good practices as employers

Create greater opportunities for women and men to decent employment and income

Coops employ people worldwide, providing at least 250 million jobs, and livelihoods for many more

Enhance the coverage and effectiveness of social protection for all

Services to members (e.g. pensions, social services);

Strengthen tripartism and social dialogue

Representation at different levels for policy dialogue;
Collaboration with trade unions

ILO's work on cooperatives today



Policy Dialogue



Research-based
advocacy



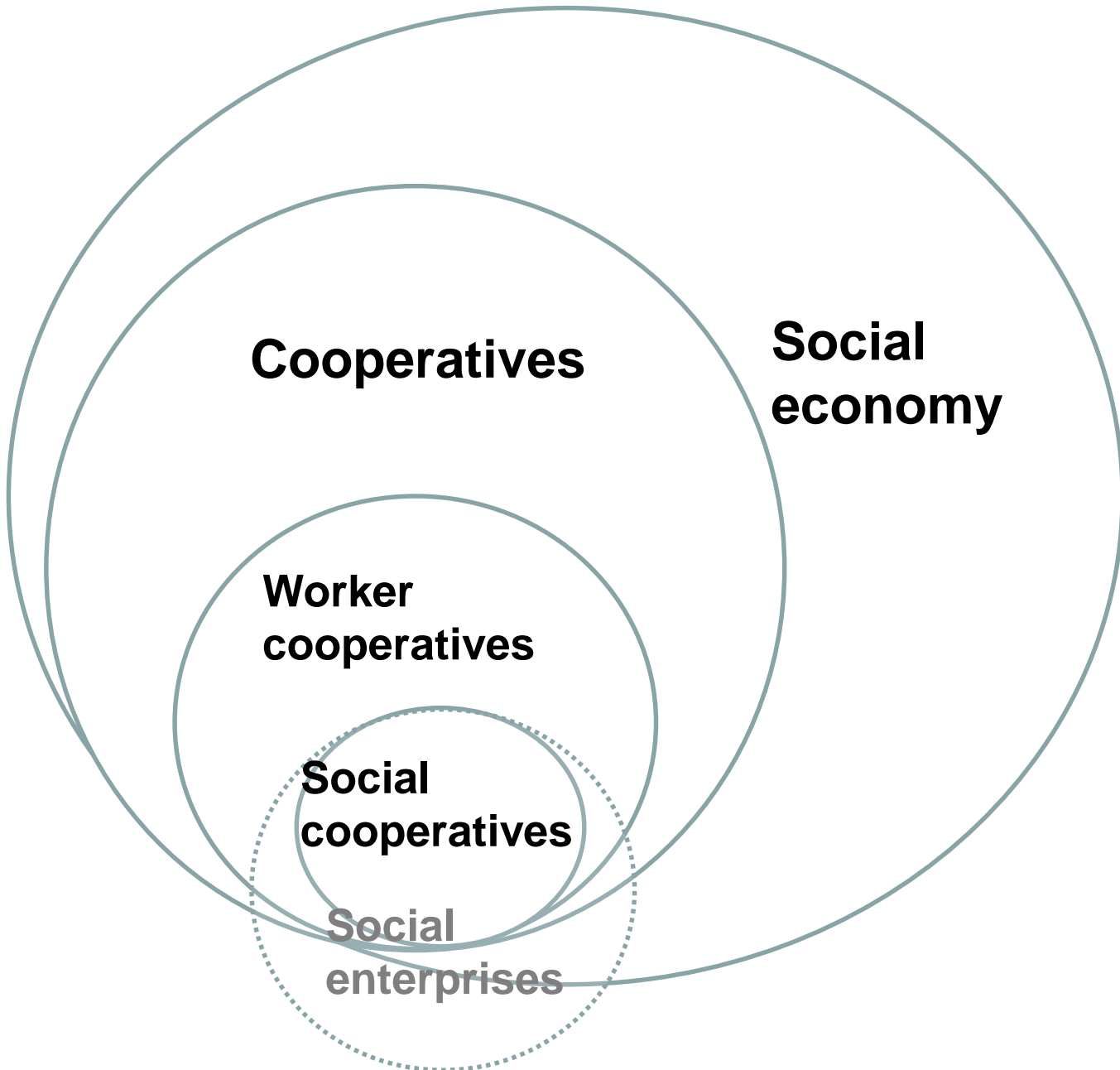
Policy & legislation

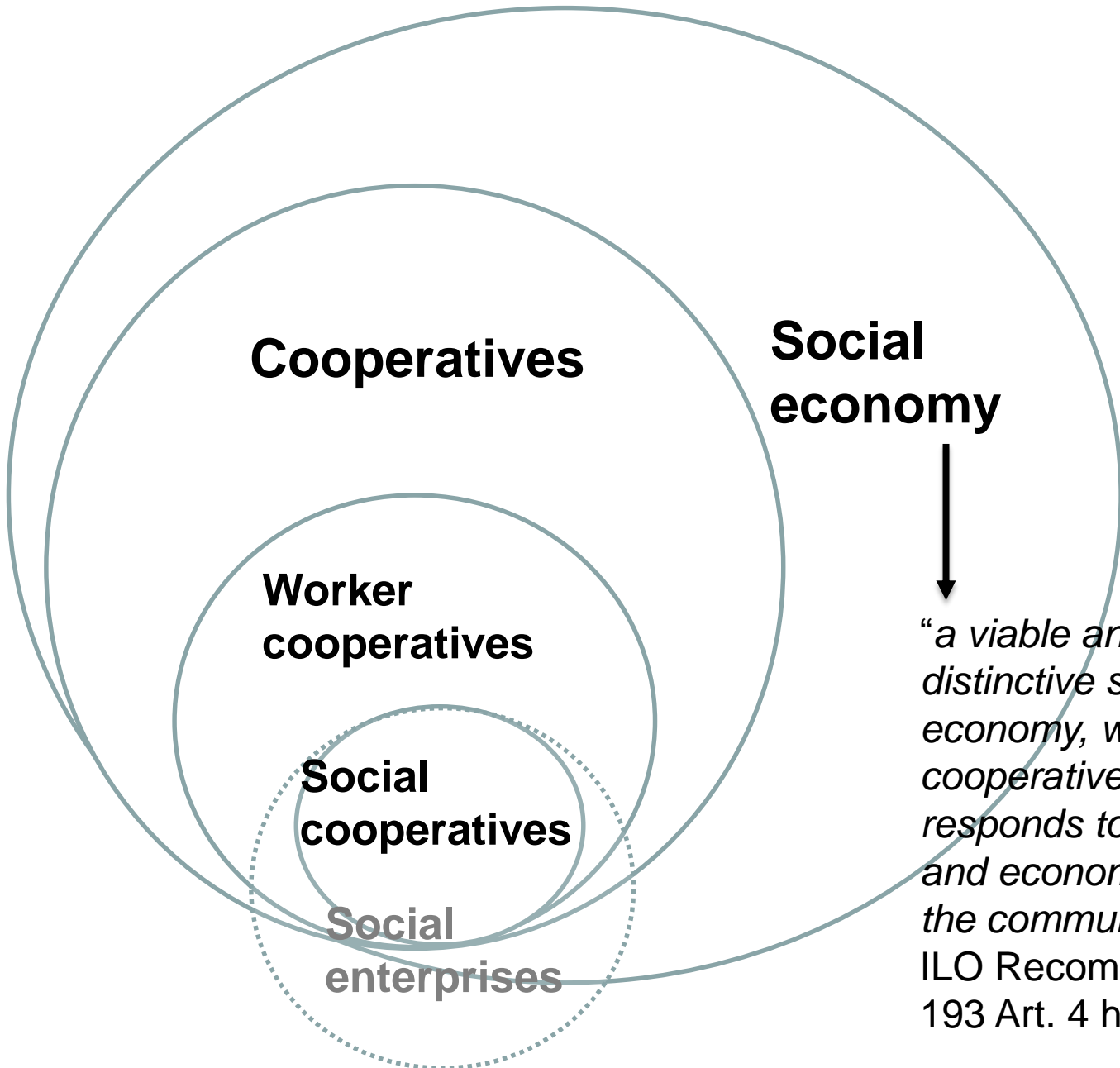


Capacity building

ILO promotes the cooperative business model to create and maintain sustainable enterprises, offering jobs that not only provide income but also pave the way for broader social and economic advancement, strengthening individuals, their families and communities.

Definitions and Demarcations





Cooperatives

Social economy

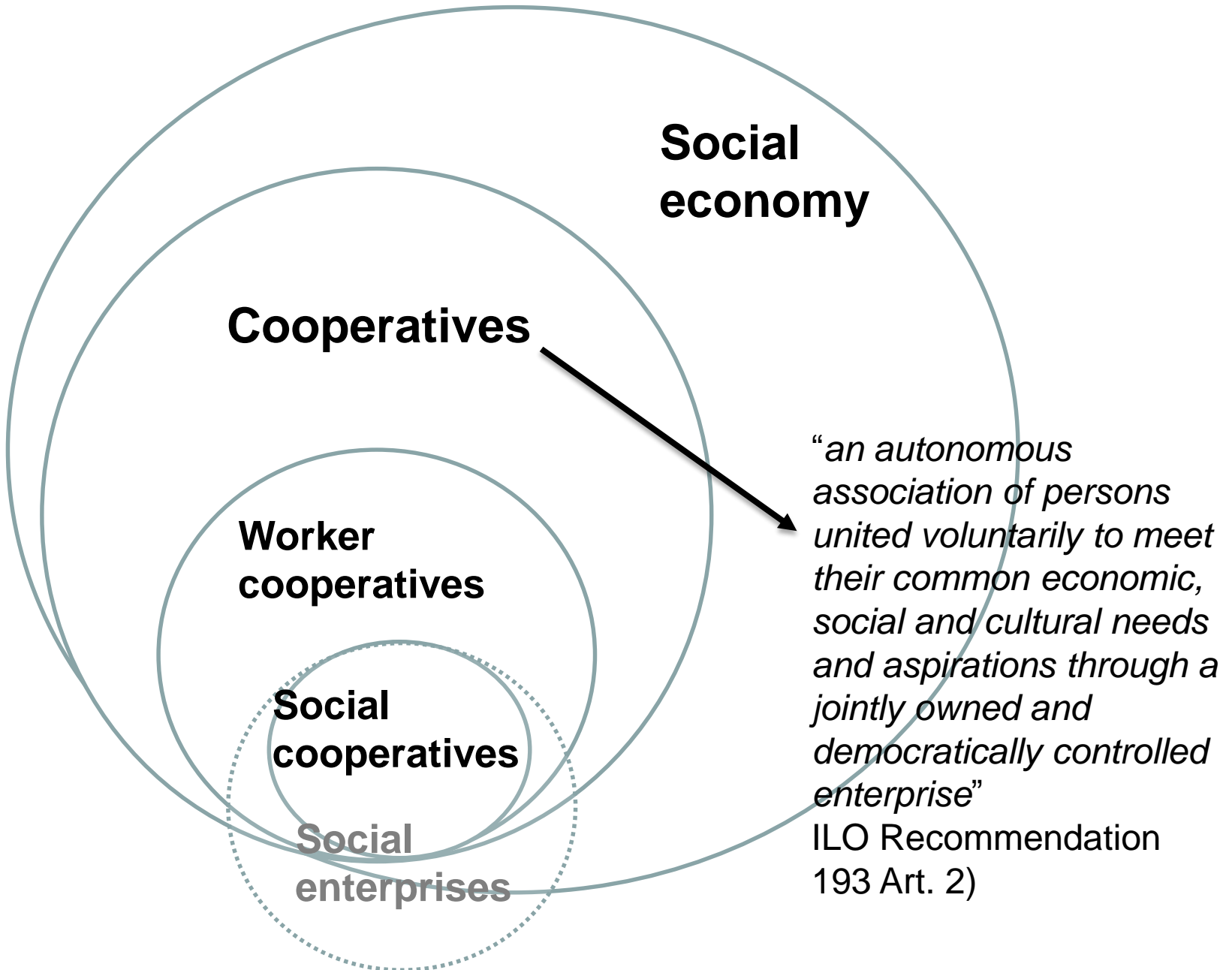
Worker cooperatives

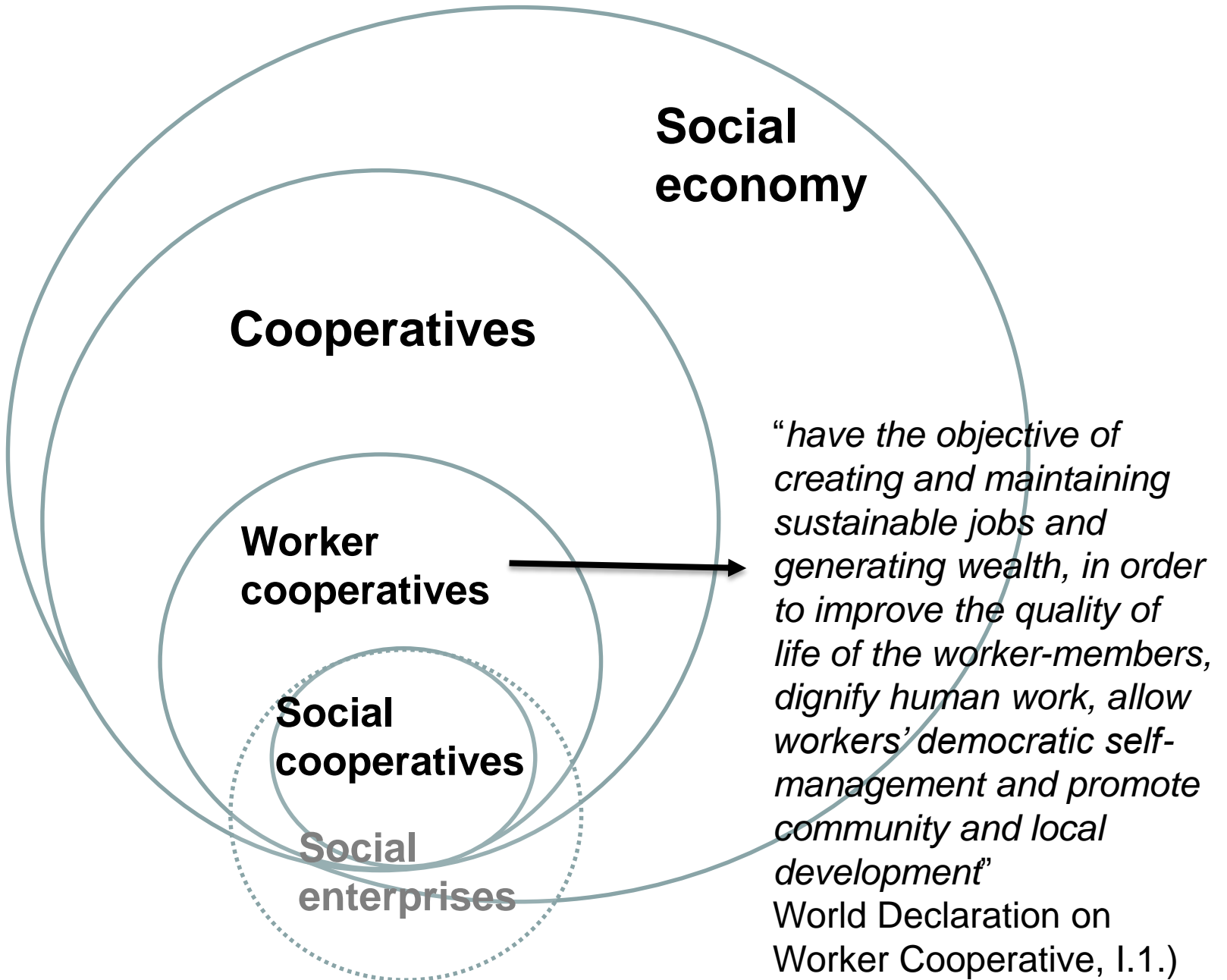
Social cooperatives

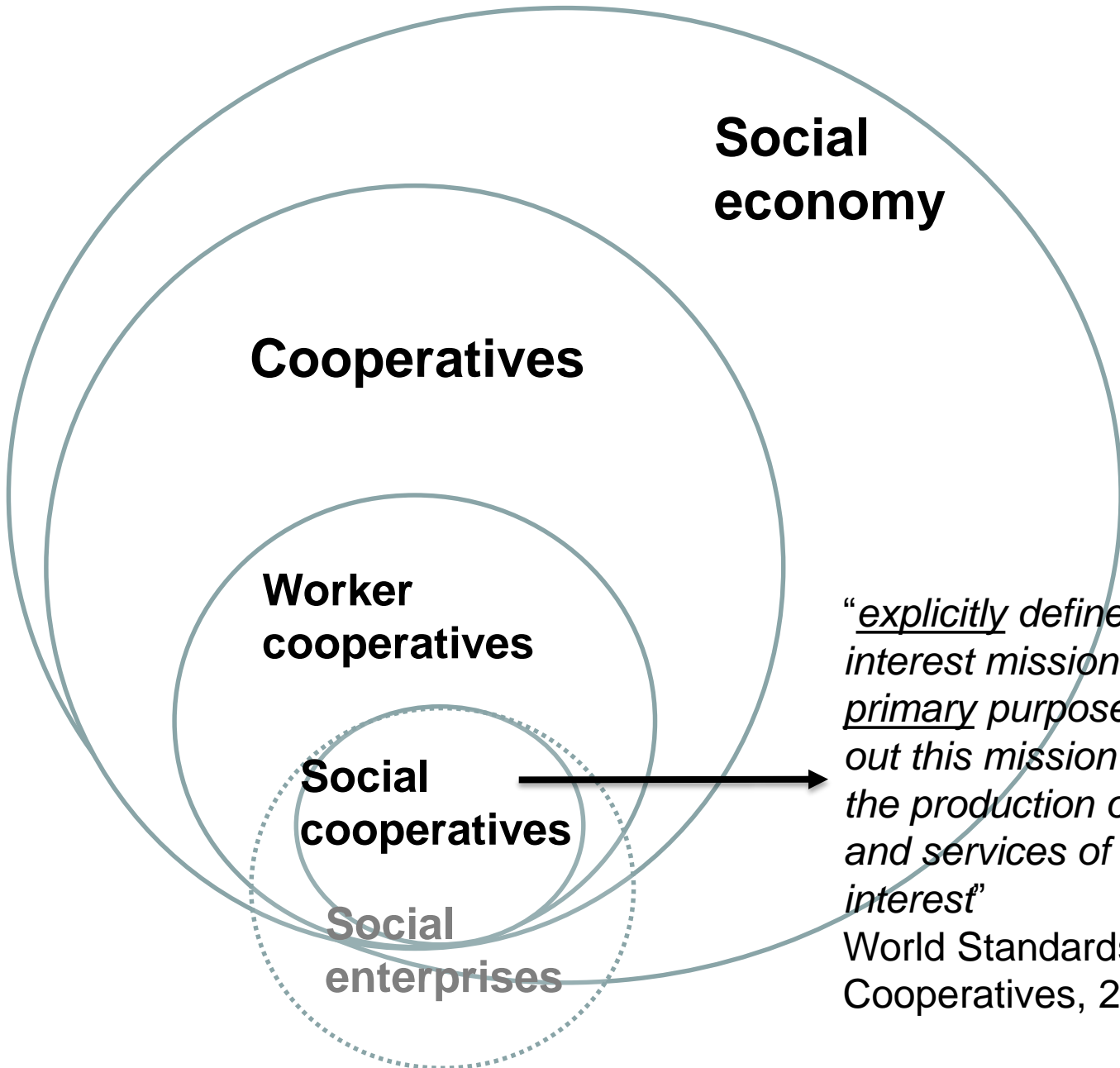
Social enterprises

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“a viable and dynamic distinctive sector of the economy, which includes cooperatives, that responds to the social and economic needs of the community”
ILO Recommendation 193 Art. 4 h)







**Social
economy**

Cooperatives

**Worker
cooperatives**

**Social
cooperatives**

**Social
enterprises**

“explicitly define a general interest mission as their primary purpose and carry out this mission directly in the production of goods and services of general interest”

World Standards of Social Cooperatives, 2.1.)



- “those for which the social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation,
- those where profits are mainly reinvested with a view to achieving this social objective,
- and where the method of organisation or ownership system reflects their mission, using democratic or participatory principles or focusing on social justice”

Social Business Initiative,
p. 1-2.)

General interest / community goods / services

- Social services (homeless, disabled)
- Health & Education
- Environment/Energy
- Work integration of unemployed
- Social integration (youth, women)
- Crises response (migrants, refugees)

**Policies of Relevance for
Social Cooperatives
&
Points of Caution**

Policies: Promoting general interest

Four criteria are important for social cooperatives working on delivering goods and services for general interest:

- Length of time / durability of services
- Geographic coverage of services
- Quality of services
- Affordability

Policies: Promote citizen owned and controlled enterprises

- Owned by the members
- Community needs driven
- Partners in sustainable development

Policies: Promote cooperative groups

Italy has cooperative groups, cooperatives of cooperatives, and cooperatives of cooperatives of cooperatives which allows for economy of scale and being able to bid for public procurement

Policies: Taxation

- Tax reduction for each worker who is working in a social cooperative

Policies: Public procurement

- Local governments
- Regional development agencies
- National government
- Public procurement directive of the EU – reserved contracts for disadvantaged people where social cooperatives can pitch in

Policies: State aid

- Ensuring cooperatives can benefit from state aid that are serving developmental purposes for general interest of citizens – social, economic and environmental goals
- In the UN 2030 Agenda for Sustainable Development cooperatives are identified as one of the means of implementation of the Sustainable Development Goals

Policies: Promote financing instruments

- Financing instruments that are owned and controlled by cooperatives
- This could be about managing state funds
- It could also be mutualized funds among cooperatives that is used for development purposes

Cautionary points

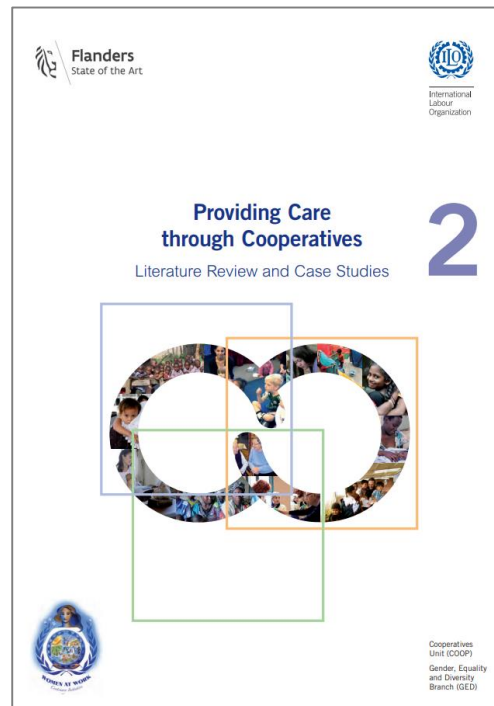
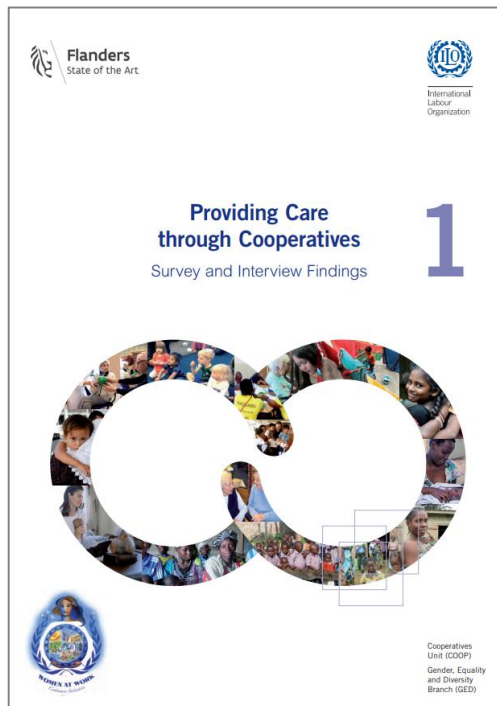
Role of State:

- The state is fully responsible for promoting and supervising goods and services of general interest
- Coops provide social services, as a citizen driven model-sometimes partnering with the government
- They should not be used to justify the retreat or absence of state in policies, like social care policies

False coops:

«ensure that cooperatives are not set up for, or used for, non-compliance with labour law or used to establish disguised employment relationships, and combat pseudo cooperatives violating workers' rights, by ensuring that labour legislation is applied in all enterprises» ILO Recommendation 193, Art. 8.1.b)

Provision of care through coops



SEWA in India



SWCC in Trinidad & Tobago



Si Se Puede! Women's Cooperative

Context 1: What is care?

- Tasks - cooking, cleaning, minding, bathing, assisting with daily living
- Takes place in a variety of settings - beneficiaries' homes, specialized facilities
- Performed by a variety of caregivers and care workers – Families, social workers, nurses, home aids, nannies, domestic workers
- Many care workers and caregivers are informal
- Paid and unpaid care work

Care is:

Looking after the physical, psychological, emotional and developmental needs of one or more other people, namely the elderly, children, and people living with disabilities, physical illness and/or mental illness.

-Adapted from Susan Maybud, Women and the Future of Work – Taking care of the caregivers, 2012.

Context 3: Gendered nature of care work

- Care as employment generator for women
- Persistent inequitable conditions in care work
- ILO research shows:
 - Lack of contracts and contract enforcement
 - Low and unpaid wages
 - Long hours and uncompensated overtime
 - Precarious and unsafe work conditions
 - Physical, sexual, emotional abuse



Context: The need for new solutions

- New solutions to care are needed on two fronts
 - Innovation in the provision of care services
 - Improving the terms and conditions of work for care workers

*“Two commonly identified sources for future job growth in both developing and industrialized countries are the green economy... and the **care economy**, given the aging population in much of the world. **But what will it take to realize that potential?** Already, many existing needs for care either go unmet because of financial constraints or are covered by resorting to underpaid or unpaid carers...”*

Director General Guy Ryder
The Future of Work Centenary Initiative

Cooperatives and Care

- Emerging as a type of care provider
 - Particularly in the absence of viable public or private options
- Appear well-positioned to:
 - Serve as vehicles that generate access to the labour market
 - Be responsive providers of care services
- Remains unknown:
 - Care provided through cooperatives
 - Employment in cooperatives that provide care

Stage I Findings

- Cooperatives responding to myriad care needs
 - Eldercare, childcare, care for persons with illness and/or disabilities
- Emerging under a variety of care contexts
 - Crisis, austerity, service deserts
- Emerging in diverse forms
 - Care coops
 - “Add-ons”
 - “Out-growths”
 - Cooperative partnerships

Stage II Findings: Cooperative Contributions

- Distinct approach to care
 - Inclusive decision-making in care provided
 - Wellness over sickness
- Quality and affordability
 - Cost compared to private
 - Quality compared to public
 - Slight advantage over non-profit
- Working conditions
 - Increased bargaining power
 - Professionalization
 - Contracts
 - Wages and benefits



Key Points on Care thru Coops

- Cooperatives are an option but require support
 - For care
 - For employment
- There is no “one size fits all” cooperative solution for care
 - Local context, country, and care needs matter
- More evidence and data are needed going forward

Youth engagement via cooperatives



Why cooperatives for youth?

YOUTH

Unemployed & self employed youth in precarious, insecure work arrangements

Conducive to ways that millennial generation organizes in digital age

In synch with peer driven nature of learning among young people

Learning opportunities that can be applied to other enterprises

Young people want to be a part of building a better future world

COOPERATIVES

More labour intensive in operations for jobs & membership

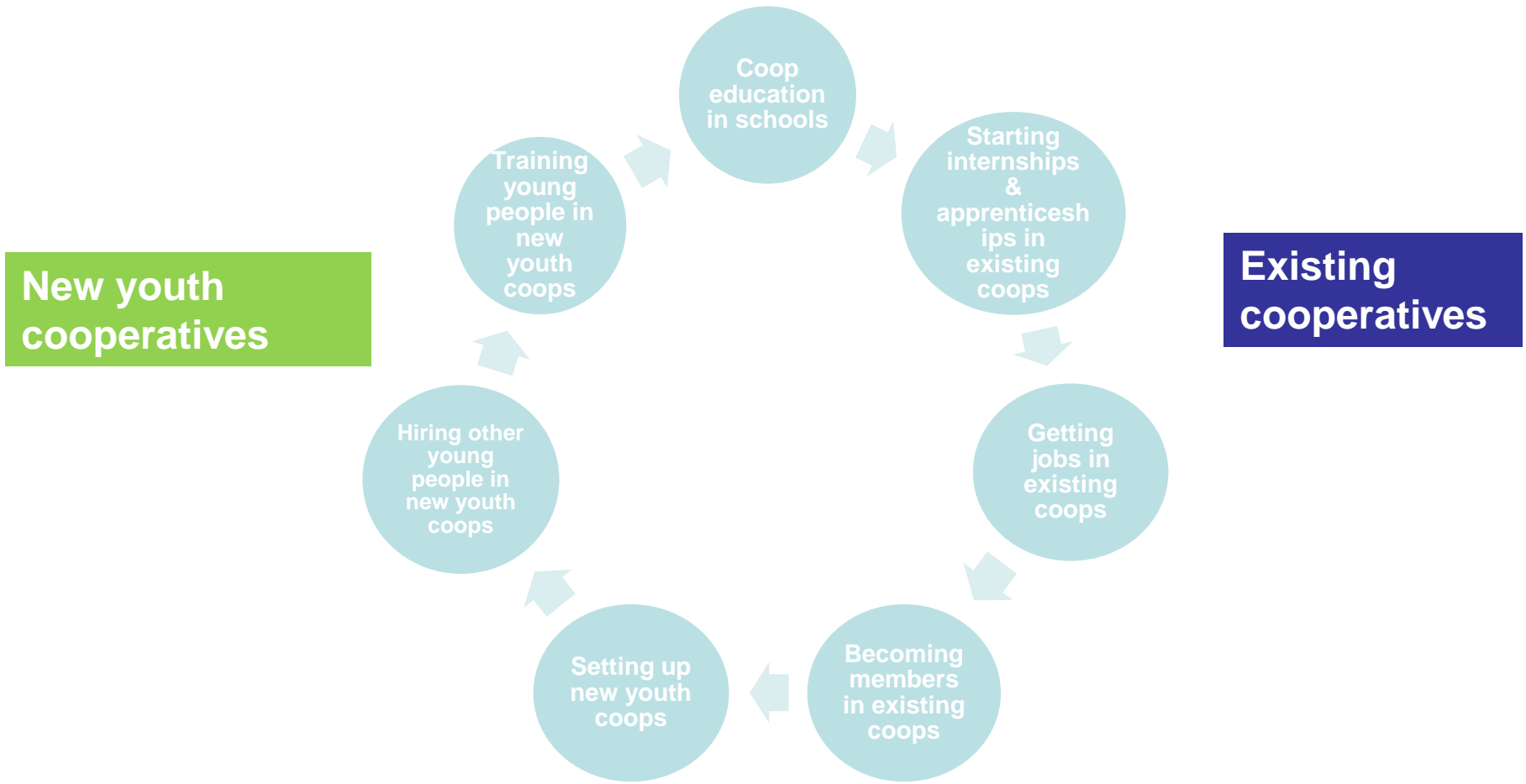
Horizontal & vertical integration via clusters & networks

Sharing costs, risk, knowledge & responsibility

On the job training through internships & apprenticeships

Responsive to social & environmental needs & practices workplace democracy

Virtuous cycle of youth engagement in cooperatives



Refugee response through cooperatives



Relevance of cooperatives in refugee response

- As people-centered businesses cooperatives services and goods (e.g., care services, housing services) that are important for refugees and not as readily available through other enterprises.
- Refugees need integrated responses from livelihoods to health and child care services and psychological assistance. Cooperatives often have integrated practices suited to refugee needs.
- The nature of working collectively in a cooperative business helps advance agency and resilience among refugees, building a sense of acceptance and recognition.
- The fact that cooperatives are well grounded in local communities, and devise a joint response to common needs can make it easier for them to be accepted by the host communities fostering inter-communal peace.
- Cooperative projects designed with active participation of host communities that benefit them as well as the refugees helps eliminate resistance to acceptance of refugees. Role of local governments and national organizations in host countries, recognizing the value of cooperatives as partners, is critical in this regard.

Types of cooperative responses in refugee crises

- Host country cooperatives undertake additional outreach services for refugees (often in partnership with local governments)
- Cooperatives in host communities integrate refugees as members and workers (through joint projects specific to such purpose)
- Livelihoods activities in refugee camps are organized through cooperatives
- Host country cooperatives are established to serve refugee communities
- Cooperatives of refugees rebuilding their war-torn communities



Photo: In Jordan, ILO works with agricultural cooperatives in helping refugees to formalize their work status, and a project supporting Syrians and vulnerable Jordanians to access decent work in agriculture and construction, including through cooperatives.



Photo: In Turkey, a women cooperative consisting of both Syrian and host community women was established in 2017 with the support from the ILO and KEDV

Thank
you

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