



PRESS RELEASE: INTERNATIONAL DAY OF COOPERATIVES

Worker and social cooperatives fostering equality by putting solidarity and democracy in the workplace

According to the latest Organisation for Economic Cooperation and Development (OECD) report, income inequality has reached record highs. The richest 10% of the population in the OECD now earn 9.6 times the income of the poorest 10%, up from 7:1 in the 1980s and 9:1 in the 2000s¹. Tomorrow 4 July, the cooperative movement is celebrating its [International Day on the theme "Choose cooperative, choose equality"](#). Worker and social cooperatives, as enterprises owned by staff members, have the priority of answering to employment needs giving **every worker-member the same say** in the present and future of the enterprise. At the same time, an important number of those cooperatives are specialized in providing **employment to disadvantaged persons** (people with disabilities, the elderly, the unemployed, ex-prisoners, immigrants etc.), representing in Italy alone **35,000 jobs**. All around the globe, democratically owned and controlled enterprises are putting solidarity in the workplace to spread equality in their communities.

"Our world exists because of solidarity, it is the only way to preserve it. Cooperatives work to satisfy the needs and aspirations of its members and for the sustainable development of the territories. They are good living examples of an alternative economy by having the people and their communities at the center", says the President of CICOPA, Manuel Mariscal.

The great majority of the disadvantaged workers of the CICOPA network (**89.54%**) are also members of cooperatives, which is very meaningful in terms of integration, according to a recent study published by CICOPA. The rich membership diversity of ethnic, origin or geographic characteristics and personal features such as race, gender or age found in **Canadian** worker cooperatives are a great source of equality, according to a survey conducted by the Canadian Federation of Worker Cooperatives. In **Argentina**, people housed in prison units make up one of the vulnerable social groups that exist within society. Being deprived of one's freedom ultimately constitutes an unshakeable stigma, which is a barrier to those who have completed their sentences when it comes to reintegrating into society and into the workforce. Worker cooperatives are a viable alternative for being included in life outside of prison, based on the values and principles of the cooperative model, "in this case it is not about the recovery of businesses, but about beginning the rehabilitation of people. Many of them have gone on to become members of those cooperatives", said a FECOOTRA, the Federation of Worker Cooperatives in Argentina, spokesperson.

Working conditions and equity

The increasing share of people working part-time, on temporary contracts or self-employed is one important driver of growing inequality. Between 1995 and 2013, more than 50 per cent of all jobs created in OECD countries fell into these categories. Youth are most affected: about half of all temporary workers are under 30. Based on ten weeks of fieldwork in regions of ten different countries, three of which have a high concentration **43%** of informal economy - Ahmedabad district in Gujerat, **India**, Gauteng province in

¹ <http://www.oecd.org/social/reducing-gender-gaps-and-poor-job-quality-essential-to-tackle-growing-inequality.htm>

South Africa and Paraiba State in **Brazil**-, the study “Cooperatives and Employment – a Global Report”², published by CICOPA in 2014, argues that employment in **cooperatives tends to be more secure than the average**. Why? Since cooperatives are stakeholder-based enterprises established for the **long-term**, it is logical that their producer-members, their worker-members and their employees also benefit from stable employment or production conditions. According to COCETA, the Spanish Confederation of worker cooperatives, **80%** of the employment generated by those enterprises is stable, **81%** being full-time job. Young people represent of the employment in worker cooperatives in **Spain**.

The number of women working has substantially increased in OECD countries during the last 20 years but, despite that, there are still strong inequalities in earnings, types and quality of jobs between women and men. Worker, social and artisans’ cooperatives are more suitable than other types of enterprises to **promote all women’s participation in economic life and to offer good-quality jobs** for them. In **France**, **25%** of worker cooperatives are managed by women, 7 points more than traditional enterprises, says the French Confederation of worker cooperatives. In **Spain**, women represent nearly the **50%** of the jobs in cooperatives.

Cooperatives play an important role in poverty reduction by widening ownership and by empowering people. The document “Cooperatives are key to the transition from the informal to the formal economy”³ written by CICOPA argues that the cooperative entrepreneurial model is particularly adapted to **lifting people out of poverty and carrying out the transition to the formal economy**. “The contribution of cooperatives to the generation of quality jobs is even clearer in the case of persons who are excluded from the formal economy such as undocumented people, immigrants and low-income women”, said Bruno Roelants, Secretary General of CICOPA, at the International Labour Conference held in June 2015.

CONTACT:

Leire Luengo – Communication Officer + 33 613 36 05 29 - leire.luengo@cicopa.coop

EDITOR’S NOTE:

What is a cooperative?

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise based on the one person one vote principle. Among them, worker and social cooperatives are owned and controlled by the enterprise staff.

What is CICOPA?

CICOPA represents 65,000 of worker, social and artisans’ cooperatives providing 3 million jobs across the world. Many of those cooperatives are worker cooperatives, namely cooperatives where the members are the staff of the enterprise, i.e., worker-members. Those enterprises are characterised by a distinctive type of labour relations, called “worker ownership”, different from the one experienced by conventional employees or by the self-employed. A growing typology of cooperatives represented by CICOPA are social cooperatives, namely cooperatives whose mission is the delivery of goods or services of general interest. CICOPA currently has a total of 43 members in 38 countries. CICOPA has two regional organisations: CECOP- CICOPA Europe and CICOPA Americas.

² <http://www.cicopa.coop/Cooperatives-and-Employment-a.html>

³ <http://www.cicopa.coop/Cooperatives-are-key-to-the.html>