

# Tailored guidelines summary: **WORKER COOPERATIVES**

Cooperatives are enterprises owned by, controlled by and for the benefit of their members. Worker cooperatives aim to provide the best possible employment for members. In a worker cooperative, the power is in the hands of the workers who decide democratically on the major guidelines of their enterprises and appoint their leaders (managers, boards of directors etc.).

Specifically in the PHS sector worker cooperatives represent an opportunity to support workers and improve the image of the industry. From the perspective of workers, they can come together to establish better working conditions for all, including rights like maternity benefits, sick pay and privacy, as well as others. And for clients, they must advocate for themselves and establish standards of care when appropriate. It would be possible for these groups to work together, and the establishment of cooperatives would improve the opportunities for social dialogue (see tailored guidelines for social dialogue for more information).

## **Why create cooperatives in PHS:**

- Ownership – users generally receive a better product and members are supported and often have better working conditions because of the cooperative;
- Governance and participation – decisions are made collectively, evening out the power dynamics between stakeholders, meaning that all people are treated more fairly;
- Local development – cooperatives are local organisations that support local economies;
- Economic sustainability – cooperatives allow for expenses to be shared collectively and local communities to create and support the services they need;
- The quality of service and work is generally higher. Workers and clients often both report better outcomes when participating in a cooperative.

## **Policy recommendations**

**Foresee legal framework and fiscal advantages** - To promote the development of cooperatives, states should have an appropriate legal and regulatory framework that helps to open up opportunities for fiscal relief, provision of support and access to public procurement and other markets.

**Apply social clauses in public procurement** - Public procurement represents a crucial market for the provision of PHS since many of these services are provided by local authorities through tenders. To facilitate the participation of cooperatives in public tenders, public authorities must use social clauses.

**Implement co-planning in social policies** - Co-planning in social policies, and in particular in the design of PHS, by public authorities implies the active involvement of all the stakeholders. Among them, the voice of cooperatives in charge of providing the services should be heard and taken into consideration.

**Promote support (financial and non-financial)** - Worker and social cooperatives in the PHS sector face several difficulties and need support in: access to finance, training, business, legal and fiscal advice, coaching, marketing and networking. Federations and umbrella organisations should be promoted and supported.

## **Partners**



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