

# **ILO Speech of the side event to the European Social Summit for fair jobs and growth**

(16 November 2017)

Esteemed guests and dignitaries,

It is a pleasure for me to be here today to represent the ILO at this important event on the role for social economy in the Future of Work. I would like to congratulate the European Commission, the European Economic and Social Committee, the City of Gothenburg and Region Västra Götaland who made this impressive gathering of social and solidarity economy practitioners, policy makers and academics possible.

The theme of this conference is of course very timely and relevant. Sigmund Freud said “work is the individual’s link to reality” but current economic, technological, demographic and environmental trends seem to question that link by changing the nature of work. The dominant notion that a job leads to economic security is being challenged. The simple fact that today over 18 million people are still unemployed in the European Union obliges us to think seriously about the future of work we want and how to get there.

It is with this belief and vision that the ILO recently launched a “Future of Work initiative” to understand and to respond effectively to these new challenges, and thus to be able to advance its mandate for social justice. As part of this initiative, a series of national and sub-regional dialogues involving some 110 countries were held. More recently a Global Commission on the Future of Work has been established co-chaired by Ameenah Gurib-Fakim, President of the Republic of Mauritius, and Stefan Löfven, Prime Minister of Sweden. The Commission has the ambitious task of producing an independent report on how to achieve a future of work that provides decent and sustainable work opportunities for all. This report will be submitted to the centenary session of the International Labour Conference in 2019.

Given the prominence of the impact of technological advances and automation in debates on the Future of Work, and its ensuing concerns it is not surprising that we are witnessing growing calls for discussions on a new social contract between the state and other actors as an attempt to put humans at the heart of business. Because the main and perhaps only question behind any issues related to the Future of Work is: “what kind of society we want to build together?”.

With values and principles of self-responsibility, democracy, equality, equity and solidarity, as well as their proven resilience cooperative enterprises are naturally subject to a renewed interest from the general public, governments and their partners.

As far as the European Union is concerned, the relevance of cooperative responses to the changing world of work came out very clearly in the reports from the national dialogues on

the Future of Work that were held in European countries with governments, employers, and workers. For instance, in Italy among the proposals that emerged from the national dialogue was the role of the cooperative model in rescuing failing enterprises through worker buyouts. In France, the emphasis was more on discussing a renewal of social dialogue by further engaging with cooperatives. In Germany, the national consultation concluded that the idea of a cooperative could take on new significance in the context of digitalisation and could represent an alternative organisational model for the sharing economy to address issues of ownership.

In the rapidly changing world of work, cooperative enterprises are seeing a renaissance to meet the expanding and increasing complex needs of members, providing services, advancing livelihoods and creating jobs. As we will see with the next presenters, cooperatives have found ways to respond to technological, demographic, economic and environmental changes. As a way of illustration, in countries like Denmark, Germany, Finland, or Austria, energy cooperatives provide access to affordable clean energy, while creating local jobs and allowing people to decide on power generation and distribution. In the technological field, platform cooperatives are emerging as one potential response to the eroding employment relationship in the platform economy. In order to meet the growing demographic ageing examples from Italy show how health care cooperatives can deliver people-centred quality care.

In an effort to expand the extant knowledge base in this area, the ILO is currently conducting research on the role of Social and Solidarity Economy and Social finance in sustainable development and the future of work. Preliminary findings tend to confirm the relevance of the cooperative advantage. However, it also appears that the future of cooperatives in the changing world of work will depend on the capacity of all stakeholders to work together in the following areas:

- Developing the necessary regulatory frameworks in line with ILO Recommendation No.193 on the Promotion of cooperatives to provide the legal support for new types of cooperatives;
- Activating social finance tools for social economy initiatives;
- Generating and sharing evidence-based knowledge and data;
- Reaching scale and creating partnerships;

At the ILO, we strongly believe that cooperatives can help individuals become active actors of processes of changes and shape the future they want. We look forward to further understanding and activating the potential of cooperatives and other social and solidarity economy enterprises in addressing issues like youth unemployment in Europe and beyond – not only for more jobs but also better jobs.

Thank you.