

The Role of Social Economy in a fair and sustainable recovery and the future action plan



(19 February 2021) Governments have agreed that the social economy enterprises should play a role in the recovery and can benefit from EU funds. The European Commission will be proposing an Action Plan on the Social Economy this year. To prepare an input into this Action plan the Portuguese presidency asked the European Economic and Social Committee to prepare an opinion. The EESC represents workers, employers and many social economy organisations. EPSU's General Secretary was invited to contribute to the debate in a hearing 17 February. EPSU represents many workers in the social economy especially in health and care and in utilities. He welcomed the valuable work social economy workers are doing and recalled how many working in health and care, mostly women and especially in care with low pay, were impacted by Covid19.

Contributing to the discussion on the Opinion of the EESC he made 4 points:

- For the social economy to develop its potential it has a need for a strong role for the state and municipalities with quality public services and staff that ensure we can deliver on people's human rights. We do not want that the Social Economy becomes a cheap substitute for public services.
- The Opinion should be vocal in underlining the role of Social Economy for fundamental change and not content itself with a role in the market economy. We want to change it.
- The Social Economy sector benefits in being very clear what it is not, and reinforcing the not-for-profit nature is to be key in the Opinion. Otherwise the social economy becomes another name for private sector companies seeking advantages.
- The Action Plan for the Social Economy of the European Commission should address the need for developing collective bargaining to deliver quality jobs with good pay and conditions and workplace democracy. The employers in social services, many of whom would see themselves as part of Social Economy and EPSU strongly agree with this as made clear in our [joint position on recruitment and retention](#).

Other speakers were from the European Parliament Social Economy Intergroup MEP Sven Giegold, from Social Economy Europe, the European Commission and BusinessEurope, who called Social Economy the subsidized sector and seeks to prevent what it calls unfair competition.

For more [on the event](#) of the **European Economic and Social Committee**, [the speakers](#), and on the [Opinion of the EESC](#)

The Opinion is foreseen for April. The Economic and Social Committee has published [a Report](#) with various opinions and developments

The main driver is [Social Economy Europe](#) which also wants to be represented in the cross-sectoral social dialogue. It has made [a series of Proposals](#) for the Social Economy Action Plan.

ETUC is part of the Stand Up for Social Pillar Alliance which includes Social Economy Europe. [The Alliance calls for an ambitious Action Plan implementing the European Pillar of Social Rights](#).

Member States that support the Social Economy agreed [the Toledo Declaration](#) end 2020.

The **European Parliament** has an active [intergroup on the Social Economy](#) serviced by Social Economy Europe with [cross party membership](#)

Promoting the Social Economy and finding suitable instruments to do its work have a long history and there are [various resolutions](#) of the European Parliament

The **European Commission** has an [active section](#) in DG Grow on the Social Economy and supports the [Expert group on social economy and social enterprises](#) (GECES) (2018-2024)

There is a link with the discussions on ***Social investment***. For one [academic publication](#) and the [European trade Union Institute](#) looked at the earlier social investment pact of the Commission and the financing of the European Pillar of Social Rights.

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