

MESMER+
**Mapping European Social Economy:
Employment, Social Dialogue and the European Pillar of Social Rights**

Project nr. 101052222

Policy lab – France

21 September 2023

CEDIAS-Musée social

Salon Rouge Siegfried, 5 Rue Las Cases, Paris, 75007 France

2 p.m. - 5:30 p.m.

Event Summary and Policy Brief

The policy lab was held in Paris, at the CEDIAS-Musée social, on 21 September 2023 from 2 p.m. to 5:30 p.m. In addition to the two researchers from HIVA – KU Leuven, who were responsible for running the policy lab, the activity brought together 13 participants, exercising different institutional and representative functions related to the social economy or the trade union representation, as well as university researchers on these topics.

Presentation of the project

The policy lab began with a presentation of the [MESMER+](#) research project, which aims to establish an up-to-date and in-depth mapping of the activity and representation of social economy actors – both on the employers' and workers' sides – within social dialogue institutions and various industrial relations contexts in nine countries: Belgium, Bulgaria, Spain, France, Italy, Ireland, North Macedonia, Poland and Sweden. This mapping encompasses several dimensions, including institutions, actors, practices and processes.

The project focuses on two research questions:

- To what extent are social dialogue institutions inclusive of social economy actors?
- How can social economy actors make their voices heard in national industrial relations systems?

The *policy labs* in each country are used to collect inputs and feedback from stakeholders at the national level such as representatives of policymakers, social economy organisations, trade unions,

employers' organisations and experts. It is also used to disseminate the project's intermediate outcomes.

The Social and Solidarity Economy (SSE) occupies a significant place in the French economic and social landscape, and the organization of social dialogue has also been established, although subject to reform, for many years. The aim of the policy lab was to deepen the understanding of the connections between SSE governance and social dialogue, by examining the lessons learned and challenges faced by representative organisations of employers and workers, as well as other types of organisations involved in SSE representation.

The policy lab will address various issues and issues related to this topic (see programme below). The themes discussed will be refined according to the profile, expertise and interest of the participants, in order to allow for inclusive and constructive exchanges.

Industrial relations and social dialogue in the social and solidarity economy

The first discussion of the policy a lab sought to explore how SSE has been able to integrate the practices of social dialogue, historically rooted in a capitalist economic model pitting capital against labour, while promoting its own intrinsic principles. The following questions were presented in the introduction of this session:

- *How are the specificities of SSE taken into account in the frameworks and institutions of social dialogue?*
- *What impact have the reforms and developments of the social dialogue framework had on the SSE?*
- *How does the 2014 law, promoting inclusion in the SSE, influence the organization of social dialogue?*
- *Representation of SSE in social dialogue: what voices and demands?*
- *How should social dialogue be organised in SSE organisations that are not included in the scope of multi-professional social dialogue?*
- *What are the demands for representation of the SSE towards the interprofessional level of social dialogue?*

This was followed by a round table discussion articulating various reactions, observations and development of related topics. These comments are presented below, grouped by theme.

Preliminary considerations

As pointed out by one participant, it is important to deconstruct the concepts on which the questions asked in the project are based. As far as SSE is concerned, it is a heterogeneous field, with diverse structures. The SSE also includes relationships of subordination between employers and employees despite their common interests in the mission of the structures in which they are engaged. Social dialogue, for its part, must also be deconstructed in terms of the categories to which it refers and the power relations that can be obscured by it.

One participant added that SSE needs to create its specific thinking, words and categories to avoid weakening and making itself vulnerable to dominant economic models.

SSE and the legislative framework

The SSE law of 2014 provides a framework of the SSE. However, it presents a juxtaposition between the statutes and the fields of activity. The structured field in the SSE (as observed at the level of the multi-professional dialogue) de facto represents activities (16 professional branches). These activities are, however, linked to SSE by the status of the organisations as set out in the law. This is the difficulty of structuring the SSE: composed of organizations with different statuses and involving a set of actors, it is also limited to certain specific branches, with no overlap between the statutes and the professional branches. This requires dealing with complexity continuously.

Recognition and identification of SSE employees as employees subject to law

How are social dialogue frameworks and institutions integrated into SSE? Many leaders in the SSE put themselves behind the values of solidarity without taking into account the employees who carry out the activity. Mismatch between the values and practices of democratic government. On the workers' side, the democratic values of the SSE, although supported by the employees' unions, are not automatically invested and translated into the mode of social democracy. An additional obstacle lies in the fact that, historically, the SSE sector has been little invested by trade unions.

There may be forms of schizophrenia – which can nevertheless be overcome – for example in the case of cooperative employees who are both producers of a service and bearers of a cooperative project.

It is therefore necessary to get out of this gap and consider SSE employees as ordinary law employees, without hiding behind the pretext that they work for companies "with a purpose".

Workers' and employers' organisations in the SSE

On the employers' side, in SSE companies, business leaders find it difficult to consider themselves as employers with functions that involve dealing with themes related to management, financing, calls for

projects, etc. In addition, some leaders are volunteers, making it difficult for them to take on the role of employer. In some branches of the SSE, employers are under the supervision of the State. In this case, one participant added that the social dialogue should then be carried out in a tripartite manner with the State.

An obstacle for SSE employers that would prevent them in some respects from fully assuming this role would be, according to some participants, among other things, the structuring of SSE employers' organisations alongside the SSE movement. This issue has been debated for a long time. It seems that in the SSE, the trend is more towards movement and that the employer function is sometimes left behind.

In comparison, the MEDEF (main mainstream employers' organization) is both a movement and a union for employers, which gives it more weight and legitimacy.

In the history of collective agreements in the SSE, there are several examples that show that employees want employers in front of them to negotiate. It was this pressure from employees that led to the formation of organized employers' organizations. At the time, it was the movements (Mutualité française, UDES, UGERES) that negotiated and initiated the employers' organizations. Since then, there has been no systematic separation between the union and the movement on the employers' side, they are for the most part closely linked.

On the workers' side, another participant recalled the weight of the Amiens Charter, which established the separation between the trade union function (defence of workers' demands) and the political function (the transformative aim of society). There are no real workers' unions specific to the SSE, the structuring is more on the employers' side. As the SSE is becoming more and more important politically, one union representative nevertheless highlights the growing dynamic according to which trade unions are seizing it. One participant noted that he felt that a workers' union specific to SSE would marginalize workers. From a trade union point of view, the problems of implementing social dialogue in the SSE are linked to issues that are also found in other sectors (*reaching out* to workers, company size, etc.).

A union representative pointed out that the dynamics of dialogue are much more fluid with SSE employers than with the MEDEF when it comes to discussing negotiation issues. Indeed, there is a shared share of values and a similar mindset between workers' and employers' unions.

Improving the consideration of SSE companies with the public authorities and their access to common law

A representative of the SSE stressed that it is necessary to constantly remind that the SSE organizations are there and that they have specificities. More specifically, similar access to common law as for conventional companies can be problematic, as SSE organizations are not always taken into account. For example, during the COVID crisis, associations did not have access to some forms from the start.

Investment of social dialogue structures in SSE organisations

In some categories of SSE organisations, such as mutual societies, social dialogue is much more structured than in others, such as associations.

Social dialogue bodies are nevertheless present in SSE organisations. This implies that employees and employers recognize and agree in their representation. However, one participant observed that in these cases, the organizations think of themselves more as a producer of a service and then integrates economic models and managerial trends that distance it from the SSE. Indeed, when social dialogue structures are present, they are called upon to deal with situations of efficiency and effectiveness in the production of services, suffering at work, wage issues, etc. In this respect, the capacity to mobilize innovative practices of social dialogue is weakened because the SSE is not able to resist a wave that forces it to adopt management methods far from their values. There are exceptions, but this is still very much in the minority.

The example of the social action sector is mentioned: It is mainly composed of associations, it is part of the SSE, but does not activate its SSE identity.

The participants who agree on this reading point to the risk of transforming SSE more and more into "social entrepreneurship". The door is indeed open, especially since the 2014 law on SSE makes it possible to create bridges between the SSE and the commercial and lucrative world. In this context, the SSE is encouraged to make itself visible through the principles of the for-profit economy. Another abounds in this sense by adding later, that during an event organized by ESS France a few weeks before, the Secretary of State invited the SSE actors to develop links with ordinary / capitalist companies. Some participants bring nuance to this questioning, relativizing the responsibility of the 2014 law, which is part of a myriad of causes and factors that contribute to explaining these

movements within the SSE. One speaker pointed out that social dialogue is an unthought of of the 2014 law.

Restricted access to social dialogue

According to one participant, there is a desire on the part of the state to control social dialogue structures in the name of rationalization by seizing the legitimacy and representativeness of traders. This mode of supervision of social dialogue is reflected in particular in standards of representativeness of the actors represented. On the trade union side, representativeness is measured through the results of social elections. On the employers' side, the MEDEF is the main represented organization. Moreover, it is this employers' organisation, and those assimilated to it, which represent the employer side at the inter-professional level of social dialogue. For the MEDEF, SSE has nothing to do with "serious business", there is a bit of a "you explore, we exploit" attitude associated with a refusal to share anything. In this sense, the multi-professional level, to which the UDES and SSE employers have access, is not an equivalent level of social dialogue. In SSE, negotiation takes place at the branch level, but participants recognise that this is not always the right level. At the multi-professional level, the actors are not social partners like the others, they are recognised by decision of the State and the UDES is also recognised as a social partner via an agreement with the trade unions. For the time being, the UDES does not reach the 8% employer representation necessary to be representative. In the public debate, some advocate allying with impact companies but this is neither the position of UDES, nor that of ESS France.

In addition, multi-professional actors do not have access to certain discussions such as the negotiations on unemployment insurance and the governance bodies of social security in the broadest sense. This is a challenge highlighted by other participants, including a trade union representative: how to proceed to bring the SSE into the negotiations around social protection? A representative of an SSE employers' union said that with regard to laws related to the Labour Code, the UDES is consulted but does not sign the agreements. There is a game of negotiations with the workers and other inter-professional organisations. This game has been played, for example, in the law on the sharing of value (in particular on Article 3bis).

SSE as a social service provider

Several participants recalled that the SSE operates in whole areas of French public policy, it plays a key role in the social contract that binds the State to citizens. The available data on the subsidies available to SSE France indicate that for the majority of SSE organisations, public resources only

complement their own resources. And when some organizations are mostly funded by the State, it is important to keep in mind that they are often in charge of delivering actions delegated by the State.

The fact that the majority of organisations operate on their own funds (self-financing or sponsorship) must be seen in a context of increasing social needs, which carries the risk of mistreatment of both employees and users. And even if public spending is increasing, it is not changing in line with social needs (in fact, public funding is shrinking).

Democratic Governance Practices in the SSE: What Institutional Recognitions and Perspectives?

Based on the elements highlighted in the first part of the discussion, exchanges continued around democratic governance practices within the SSE, exploring the following questions:

- *What are the spaces for experimentation and institutionalization for the parts of the SSE that are not included in the multi-professional social dialogue dedicated to the SSE? Or for those who practice different forms of democracy at work?*
- *What form of representation for SSE workers and employers in bipartite and tripartite structures? And what are the opportunities or limits for social dialogue?*
- *How can we federate SSE workers and employers who develop and implement models of direct and/or participatory democracy at work?*
- *How do its practices translate into the exercise of SSE representation?*
 - *At the sectoral and multi-professional levels?*
 - *In other spaces of territorial or civil dialogue?*

The discussion with the participants went beyond these issues, and in particular addressed the theme of territorial dialogue. As in the previous session, the discussions are presented with the help of a thematic summary.

Recognition and institutional representation of SSE

There are initiatives that seek to go beyond the traditional frameworks of social dialogue. For example, regional spaces for social dialogue (ERDS) specific to the SSE are created, where the SSE represents between 12 and 15% of employees. This raises many questions, such as how to structure these spaces and how to develop the territorial responsibility of companies. The size of companies in the SSE (small companies, VSEs) is indeed a challenge, representation is complex.

One participant said that the challenge was to develop other forms of cooperation and dialogue rather than changing national rules. In this respect, the territorial dimension is becoming more and more significant with the question of the organization of territorial cooperation, which should take into account the heterogeneity between territories. At the level of the social economy, the degree to which the Regional Chambers of SSE (CRESS) are considered as interlocutors and co-constructors of the SSE varies greatly from one region to another.

As far as the CESER (Regional Economic, Social and Environmental Council) is concerned, the idea is to bring together representatives of regional civil society. The SSE is represented as an employer and representatives of the CRESS also ensure transversal representation.

In configurations such as territorial dialogue, which is a form of non-formal social dialogue, one participant mentioned the importance of tri- or quadripartite models that integrate funders (e.g. representatives of local authorities) and the State in the development and implementation of social policies. In this regard, the public economic model should be rethought so that it is more respectful of social values. Indeed, it happens that some funders (public funds) refuse to finance the agreements. For example, with regard to the increase in recruitment in the field of home care. There is a difficult link between the social dimension of labour law and social policies. As there is no collective bargaining at the territorial level, there is a need to find social innovations at this level as well as the mechanisms that guarantee their implementation. However, there is some resistance (beyond the funders), for example from the sectors who do not want to see the sectoral agreements disrupted by the territorial agreements. This raises the question of how to innovate in these constrained interstices.

Other areas of governance are also to be invested by the SSE, particularly with regard to social security policies and employment policies. The reform of “Pôle Emploi” (the national public employment service) into “France Travail” is emblematic of the efforts to represent SSE representatives such as UDES. It is a question of presenting SSE as essential when addressing issues related to work and employment, both in the diagnosis and in the creation of solutions to current problems. The SSE is getting stuck, but the question is how it weighs in this type of ecosystem. There are alliances to be found (or recreated) to promote the representation of SSE in such contexts. One of the problems lies in the fact that the SSE is traditionally considered to provide a consultative voice, and therefore does not really weigh in the adoption of decisions voted by the actors with deliberative vote. This raises a democratic problem.

Another participant added that indeed, SSE representatives are often forgotten, even in consultative mechanisms where they are supposed to be via the Higher Council for the Social Economy (CSESS). The SSE is nevertheless sometimes consulted, notably in the National Council for Economic Transition. On the other hand, it is absent from certain key decision-making places in terms of economic policy, such as the Strategic Committees of the sectors (for example, the Strategic Committee of the bicycle sector, whereas the SSE has played a pioneering role in this area).

Workers' participation and working conditions in SSE

Several participants pointed to the "suffering in a committed environment" that characterizes certain branches of the SSE and referred to various research works (D. Rousseaux for example) on the subject. This suffering can affect both employees and employers, especially when there is no institutionalized social dialogue, including in large structures such as NGOs. The existing framework for social dialogue, which can always be improved, makes it possible to help prevent and manage certain situations (it provides a framework on working conditions, rights such as training, etc.). This is why several participants insist on the importance of continuing to fight to formalize social dialogue. A trade union representative adds that in the SSE as elsewhere, when there is no social dialogue implemented in a company, there is less respect for labour law. Another participant adds that when we look at developments in SSE branches, things are often organized by shocks (e.g. the childhood sector).

One participant recalled that innovations were often introduced by people close to trade union structures or policies linked to the trade union movement. In this respect, it is a bit of a paradox that dialogue is sometimes difficult between the SSE and the trade union movement. A trade union representative recalled that workers' unions support and support employee participation in the company, but that he notes that SSE organisations are far from putting this into practice (although it is advocated). Another adds that the SSE struggles to think about work within its own activities, but that it is there that changes and societal aspirations on the world of work are taken into account and translated into innovation. For example, Cooperative Societies of Collective Interest – SCIC –, Cooperative Societies of Activities and Employment – CAE –, accompanied the creation of the first delivery workers' cooperatives. In particular, the law on SCICs (Cooperative Society of Collective Interest, law adopted in 2001), organizes the participation of employees in the governance of the organization. The implementation of this law is also indicative of competitive fields: associations are put in competition with commercial structures, particularly in the context of calls for tenders. The catch: workers become the adjustment variable, in a context where subsidies continue to fall. There is also tension about the battles traditionally waged by the Left, in particular the increase in the

minimum wage, which is a subject that is feared by associations, even though by their mission they participate in the fight against poverty. Other tensions arise when addressing the issue of the work of volunteers whose working conditions raise questions (e.g. Olympic Games in France, Puy du Fou, volunteers pay for their food, transport, etc.). How are workers' unions and associations reacting to this? One participant argued that these organizations should respond more in the name of the values they hold about work.

The case of takeovers by workers, led by former trade unions shop stewards, is an interesting case study. These former delegates often arrive at the head of newly created cooperative structures. In these contexts, it is important to think about and formally establish social dialogue through the establishment of employee representative institutions.

Power issues

In cooperatives, power issues remain and are revealed in moments of tension. It is not possible to free oneself from this dimension because the organization is in the field of SSE.

However, some participants mentioned that while the issue of value sharing must be addressed in SSE companies, it is nevertheless posed differently than in capital-intensive companies, beyond the financial aspect. Nevertheless, it must be posed and thought about more than it is now, especially by the movements of the SSE.

Recommendations – Policy Brief

Various recommendations emerged from the discussions held during the policy lab:

- In general, encourage actors in the field of SSE to think more about work dimensions within the SSE organisations.
- Consider SSE employees as common law employees, without hiding behind the pretext that they work for companies "with a purpose".
- Assume the role of employers by SSE leaders.
- Improve the consideration of SSE companies with the public authorities and their access to common law.
- Develop territorial cooperation mechanism that:
 - take into account territorial heterogeneity;
 - involve all stakeholders necessary for the implementation of the agreements;
 - in conjunction with the social dialogue of the branches.
- Make employer-employee subordination relationships more visible in SSE wage relations.
- Invest in institutional spaces for the governance of employment and social security policies and advocate to go beyond the status of an actor with an advisory voice to obtain a deliberative voice.
- Formalize social dialogue in organizations where it is not or only rarely used in order to mobilize the tools it includes as a solution to the problems of suffering at work.
- Think about the sharing of value in business beyond the financial aspect.