

# union-coops:uk Manifesto 2025



Photo courtesy of Erik Gunn/Wisconsin Examiner

**The union-coop is a model whose time has come.** It is a fully unionised, worker co-operative, owned and controlled by those who own and work in it. Worker's control, democracy and equality are built into the model which offers a solution to inequality and injustice both in and outside the workplace. Co-ops and unions are social movements with shared historical roots which emerged originally out of need. *We believe they have a powerful shared future.*

We lay out the ideas behind union-co-operatives and show how unions and co-ops can work together. We offer a context for the need to consider new ways of thinking about unions and co-operatives. We describe the union-coop model, how to set one up, and how union-coops work in practice. We conclude with a 'call to action' and a set of recommendations for unions and co-operatives to come together and pilot a union-coop model in the UK.

## union-coops:uk – who we are

**union-coops:uk** are a group of UK trade unionists<sup>1</sup>, co-operators, educators and academics, who are seeking to encourage mutually beneficial collaboration between the union and co-operative movements via the development and promotion of the union-coop model. We believe the union-coop model is a powerful tool to counter mainstream economic narratives, it is a living example that *another way is possible*.

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<sup>1</sup> The union movement is organised by trade, industrial, specialist and general unions. Whatever form they take, in the UK they are generally described as trade unions, in continental Europe as unions, and in the USA as labor unions.

## Why now?

There are several reasons why now is the time to take the union-coop model seriously.

**First** is the changing nature of work and the precarity and challenges associated with that.

**Second** is the way in which the union movement is under attack because of changes in the way work and industry is organised together with anti-union legislation.

**Third** is because we have a crisis of democracy, exploitation, growing poverty and inequality.

## Changes to work and working life

Precarious work in the UK accounts for over 7 million people - one in five of the workforce. In the past ten years the number of workers on zero-hour contracts has increased more than four-fold, to over 1 million (3.3%) and self-employment has increased to over 4.4 million<sup>2</sup> (15% of the workforce).

Many are forced into in-work poverty, with 2.2 million (52%) of the self-employed earning less than the minimum wage, and 3.7 million self-employed workers in outright poverty.

Two thirds of all new jobs being created are for the self-employed – a trend set to continue, so whilst some enjoy the self-employed lifestyle, for many others it's their only choice.



Photo courtesy of Sixteen Films

Gig economy workers are often isolated and come under an extreme level of corporate surveillance, as highlighted in the Ken Loach film, *Sorry We Missed You*.<sup>3</sup> The long hours, lack of rights and harassment creates a culture of fear making union organising, let alone collective bargaining rights, seemingly impossible. Legal campaigns and court action by unions to secure worker rights against Uber, Hermes, Deliveroo and others have been successful, but the Employment Tribunal victories are often overturned on appeal.

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<sup>2</sup>[https://assets.publishing.service.gov.uk/media/5aa69800e5274a3e391e38fa/The characteristics of those in the gig economy.pdf](https://assets.publishing.service.gov.uk/media/5aa69800e5274a3e391e38fa/The_characteristics_of_those_in_the_gig_economy.pdf)

<sup>3</sup> [https://en.wikipedia.org/wiki/Sorry\\_We\\_Missed\\_You](https://en.wikipedia.org/wiki/Sorry_We_Missed_You)

Platform corporations are reshaping the future of work. The gig economy's business formula is for digital corporations to make huge savings through off-loading their risks and costs onto freelancers including equipment, insurance, tax, accommodation and transport.

We need to think of new ways of organising. Since 2010 workers in the UK have experienced the worst fall in real wages for 150 years. We need to reverse that trend.

That decent work is a right for everyone was endorsed by the International Labour Organisation (ILO)<sup>4</sup> in 2002, and they believe that co-operatives, working with unions, are one of the best ways to obtain that.

## A new emphasis on Community Wealth Building

In recent years there has developed an increasing realisation that simply developing the local economy isn't enough. Outside investors can come and go. It's important to support businesses that are here to stay, and a number of local authorities such as Preston are recognising the success of such projects that have helped to regenerate the rust belt of Philadelphia (USA).

### Community wealth building Five principles

#### Fair employment and just labour markets

Anchor institutions have a defining impact on the prospects of local people. Recruitment from lower income areas, paying the living wage and building progression routes all improve local economies.

#### Progressive procurement of goods and services

Developing dense local supply chains of businesses likely to support local employment and retain wealth locally: SMEs, employee-owned businesses, social enterprises, cooperatives and community business.

#### Plural ownership of the economy

Developing and growing small enterprises, community organisations, cooperatives and municipal ownership is important because they are more financially generative for the local economy – locking wealth in place.

#### Socially just use of land and property

Deepening the function and ownership of local assets held by anchor institutions, so that financial and social gain is harnessed by citizens. Develop and extend community use – public sector land and facilities as part of 'the commons'.

#### Making financial power work for local places

Increase flows of investment within local economies by harnessing and recirculating the wealth that exists, as opposed to attracting capital. This includes redirecting local authority pension funds, supporting mutually owned banks.



Community Wealth Building works to build the local economy by encouraging 'anchor institutions' to procure goods and services locally. Crucially, it also works to ensure those local suppliers are locked into the community, so they won't just up and go in the future. This is a process known as Capital Anchoring.<sup>5</sup>

Businesses that are locally anchored come in various forms, such as publicly owned bus companies, community pubs and shops and housing associations. Family-owned businesses are also less likely to move on than national or multi-national companies, but union-coops are the most anchored form of business. The workforce are much less likely to sell their own company, as that will either make them redundant straight away, or make it much more likely in the future, as control has passed to outside investors.

In Preston, the Council is working with the co-op movement, the local university (UCLAN) and unions to develop a locally rooted economy through community wealth building<sup>6</sup>, ensuring Preston money stays in Preston. The council are working with Unite to create a local builders' co-op, with the RMT to establish a taxi co-op in the city and with Community Union to create a self-employed workers co-op.

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<sup>4</sup> [https://www.ilo.org/empent/Publications/WCMS\\_311447/lang--en/index.htm](https://www.ilo.org/empent/Publications/WCMS_311447/lang--en/index.htm)

<sup>5</sup> [https://www.assembly.wales/NAFW%20Documents/social\\_enterprises\\_-\\_cardiff\\_institute\\_for\\_co-operative\\_studies.pdf%20-%2001072010/social\\_enterprises\\_-\\_cardiff\\_institute\\_for\\_co-operative\\_studies-English.pdf](https://www.assembly.wales/NAFW%20Documents/social_enterprises_-_cardiff_institute_for_co-operative_studies.pdf%20-%2001072010/social_enterprises_-_cardiff_institute_for_co-operative_studies-English.pdf)

<sup>6</sup> <https://www.preston.gov.uk/article/1339/What-is-Preston-Model->



## A crisis for unions

Today the union movement is under attack as never before, membership has fallen over the last 40 years, and increasing numbers of people are being employed in situations where unions unable to organise. Also, more and more people are becoming self-employed, not always by choice. Unions need to adapt to represent these workers – they are not only a potential for membership growth, but they desperately need the unions’ protection.

In the UK we now have a new government that states it will improve workers’ rights, but this has not come through into actual policy yet, so we need to act urgently.



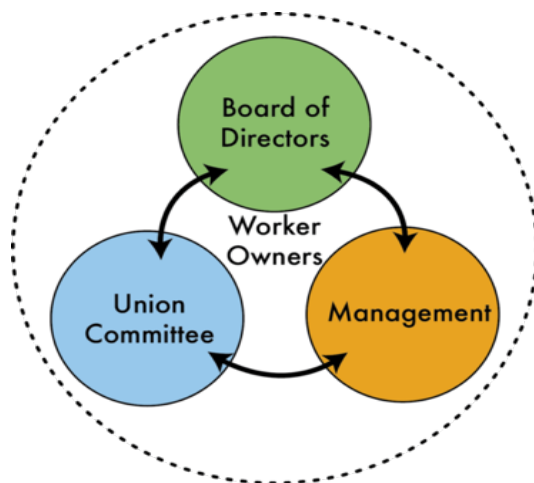
Photo courtesy of Ecomundo Cleaning Cooperative

Unions have the protection and promotion of workers’ rights at their core. Like unions, worker co-operatives are run on a democratic model of one member, one vote. The union-coop combines these values; both unions and co-operatives believe in joint decision-making, collective responsibility, solidarity between members, and fair distribution of rewards.

We need to reset and rebuild the economy that favours ordinary working people not just business owners and their bosses. The union-coop model is one powerful way we can do this.

## What is a union-coop?

A union-coop is a worker co-operative, a type of business which is owned and controlled by its workforce (although it may have other shareholders, as long as they’re a minority). Ideally it will have both a place in its governance for a union to represent the members as workers, and a separate place where the worker members manage the business they own.



Our recommendation is to follow an adapted version of the Mondragon Co-operative model promoted by 1worker1vote<sup>7</sup> and establish a three-part governance system, where the Management Committee considers the business from a corporate point of view, whilst the Union Committee considers it from the employees’ position, and the elected Board of Directors has overall control. This removes the possibility of

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<sup>7</sup> <https://1worker1vote.org>



self-exploitation which can occur when the going gets tough and the workers are under stress.

## How does a union-coop work?

The idea of the union-co-op has grown out of a formal collaboration in different countries between unions and the co-operative movement and is based on an expanded set of co-operative principles which are focused on protecting workers rights, creating decent work and paying a fair wage. The core union-coop principles are:

- 1. Voluntary and open membership**
- 2. Democratic member control**
- 3. Member economic participation**
- 4. Autonomy and independence**
- 5. Education, training and information**
- 6. Co-operation among co-operatives**
- 7. Concern for community**
- 8. Subsidiarity of capital to labour**
- 9. Solidarity and fairness in remuneration**
- 10. Commitment to union-coop development**

The first seven principles are those adopted by the International Co-operative Alliance.<sup>8</sup>

**Principles 1 – 4** enshrine the ideals of equality, fairness, democratic control and autonomy. Membership is open to anyone who satisfies the criteria and the co-operative is democratically controlled by those members on a ‘one member, one vote’ basis.

**Principles 5 - 7** outline how co-ops should interact positively with the local community and other co-ops. Principle 6 emphasises the value of co-operation over competition, while principle 7, highlights the need to develop sustainable business practices.

*The last 3 principles have been developed from the ideas of the Mondragon worker co-operatives in Spain and are a vital addition to the International Co-operative Alliance’s 7 principles because they enshrine workers’ rights and fair pay into the governance of the union-coop.*<sup>9</sup>

**Principle 8** - The subsidiarity of capital to labour is about ensuring the workers, not outside investors, have real control of their union-coop, and that all decisions are made at the lowest practical level in the organisation. Capital should be a tool which workers use to develop their co-op, not a means to control them. Thus at least 51% of voting shares should be held by worker members to make sure they are in overall control.

**Principle 9** - Fairness in remuneration addresses wage inequality to ensure that all staff in the union-coop are paid using a fair and balanced wage scale. It embeds decent pay for decent work. The top pay should reflect the size and scope of the union-coop but should never exceed a ratio of 12:1 of the lowest paid worker.

**Principle 10** - A commitment to developing other union-coops. A levy of at least 10% of pre-tax profits, in cash or in kind, should be used to finance and develop other union-coops.

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<sup>8</sup> <https://www.ica.coop/en/cooperatives/cooperative-identity>

<sup>9</sup> <http://www.alex-bird.com/why-we-need-to-update-the-co-operative-principles/>

These **10 core principles** form a set of strictly bounded ethical principles by which each union-coop is run. However, while they guide the shaping of each union-coop, they also allow flexibility for each individual union-coop to adapt and respond to local contexts. The union-coop model is not a 'one size fits all' model - it is flexible and can adapt to local needs and requirements.

### How do you set up a union-coop?



There are 6 different ways to set up a union-coop:

#### ***Option 1: Convert an existing company into a union-coop***

There are some barriers to doing this in the UK at present. Currently the tax regime makes it more advantageous for the current owner to sell to a Trust based worker or management buy-out, which may be better than outside ownership, but this is not true worker ownership and control, so the law needs to be changed to stop disadvantaging true worker co-ops.

Many successful union-coop examples exist in other countries, such as in France and Italy, where the law is already favourable to worker co-op buy-outs.

A key area of opportunity for union-coops is worker buy-outs and conversions. A strategic report for the Co-operative Party<sup>10</sup> argues that 120,000 small businesses in the UK will be sold to new owners over the next three years. If only 5% were converted to co-op ownership, the co-op sector would double in size!

#### ***Option 2: Rescue a failing company***

In this case the company is already struggling financially, often as a result of a takeover by a multinational, venture capitalists, or simply, it has lost its way. Sometimes it comes through industrial struggle such as the Upper Clyde Shipbuilders occupation in 1971, which sadly didn't result in a union-coop, or the Thé Elephant<sup>11</sup> occupation in 2010, which did. Here, prudence and good business advice is essential to ensure that the company is saveable, before starting a rescue mission which often involves the workforce risking its redundancy money and/or borrowing heavily.

#### ***Option 3: Convert an existing co-op into a union-coop***

For historical reasons (the enormous success of the Rochdale Pioneers model) the majority of UK co-operatives are consumer-owned rather than worker-owned. Many of them are not unionised. To convert a consumer co-op into a union-coop needs radical change. The governance would have to be changed, and ownership transferred from the consumers to the workers at considerable expense.

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<sup>10</sup> <https://neweconomics.org/uploads/files/co-ops-unleashed.pdf>

There are however, a growing number of multi-stakeholder and worker co-ops in the UK, and they can be transformed into union-coops with only some small changes to their governance, and the unionisation of the workforce. SUMA<sup>12</sup> is an example, where the union has been involved in the co-op for a long time, and the SUMA workforce are some of the best paid shop floor workers in the UK.

***Option 4: Converting a social enterprise or charity into a union-coop***

Charities and social enterprises already have social value as a core belief, and many try to reflect this in their employment practices, although very tight contract pricing, mostly from austerity affected local government, make this difficult.

Cartrefi Cymru<sup>13</sup>, based in Wales, is a good example of how this transition can take place. They have undergone a transformation from a charity to a multi-stakeholder co-op involving staff, service users and their families, and with the full co-operation and support of their union representatives. As a result, they have been able to increase staff engagement and satisfaction, maintain terms and conditions, and hold on to existing contracts whilst improving the delivery of services.

***Option 5: Create a brand-new worker co-op that is fully unionised***

In this option, a start-up route, the new organisation would have decided to be a fully unionised, worker co-op from the beginning. Governance models for this are available off the shelf, but of course all the start-up needs of any other type of business are still there. Finance has to be raised<sup>14</sup>, and a Business Plan drawn up, but the combination of co-operative business support agencies and the market knowledge of the union movement make this possible. Tower Colliery<sup>15</sup> which was created during the Tory Government's coal privatisation programme in 1994 is one such example.

***Option 6: Creating a union-coop for the self-employed***

The self-employed are an increasing part of the 'precariat', those workers without any security and often on zero hours contracts. A small number of co-ops have been formed to provide them with shared workspace and/or back office admin services. UK examples include IndyCube<sup>16</sup> and IPSE,<sup>17</sup> the IT Co-op<sup>18</sup> and Webarchitects,<sup>19</sup> but few of these have any union involvement. The most successful back office co-op for the self-employed is Smart in Belgium, who have integrated unions into their organisation. However, some really good UK examples of union-co-ops for the self-employed have been with us for many years, such as City Cabs<sup>20</sup> and Central Taxis<sup>21</sup> in Edinburgh, and actors' co-ops such as Oren.<sup>22</sup>

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<sup>12</sup> <https://www.suma.coop>

<sup>13</sup> <https://www.cartrefi.coop>

<sup>14</sup> Whilst specialist co-operative UK finance houses exist such as <https://coopfinance.coop> these are still small and there is a need for larger co-operative banks such as those found in other EU countries

<sup>15</sup> [https://en.wikipedia.org/wiki/Tower\\_Colliery](https://en.wikipedia.org/wiki/Tower_Colliery)

<sup>16</sup> <https://www.indycube.community>

<sup>17</sup> <https://www.ipse.co.uk>

<sup>18</sup> <http://www.it-cooperative.com>

<sup>19</sup> <https://www.webarchitects.coop>

<sup>20</sup> <https://www.citycabs.co.uk/about/>

<sup>21</sup> <https://www.taxis-edinburgh.co.uk/about/our-drivers/>

<sup>22</sup> <http://www.orenactorsmanagement.co.uk>



## Specialist support is needed

### Business Support



Whichever way a union-coop is formed, it will need co-operative development advisers and union(s) to work together to help workers choose the best legal structures and processes, develop Business Plans and raise working capital. New union-coops can get support and training from Co-operatives UK<sup>23</sup> and their business support programme<sup>24</sup> which is delivered by local Co-operative Development Bodies (CDBs) as well as the Co-op College,<sup>25</sup> who will all support them to collectively develop their own structures, responsibilities, decision-making processes and remuneration principles, rather than have them imposed by management.

### Training

The co-operative way of working is different to the hierarchical model, and there are many approaches to management and member engagement in co-ops. These approaches differ, and often the model of management, structure and governance will be influenced by the size of the co-op, and the amount of outside community input into its ownership and involvement, so any training needs to come from specialists who understand this.

The Co-operative College<sup>26</sup> offers a range of courses aimed at co-operative organisations as well as individuals. Co-operatives UK also offer a range of courses tailored specifically to co-ops<sup>27</sup> as well as organising an annual Practitioners Forum offering a varied range of advice and training sessions.<sup>28</sup>

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<sup>23</sup> [www.uk.coop](http://www.uk.coop)

<sup>24</sup> <https://www.uk.coop/support-your-co-op/business-support>

<sup>25</sup> <https://www.co-op.ac.uk>

<sup>26</sup> <https://www.co-op.ac.uk/Pages/Category/training-for-organisations>

<sup>27</sup> <https://www.uk.coop/advice/products-and-services/training>

<sup>28</sup> <https://www.uk.coop/PF>

## The union-coop model in action



The United Steelworkers (USW), the largest industrial union in North America, in collaboration with the Ohio Employee Ownership Center (OEOC) and the Mondragon supported **1worker1vote** movement have developed a union-coop model in response to the socio-economic ravages of the 2008 Great Recession that included union decline, and the pernicious effects of labour market deregulation such as offshoring and wage suppression.



The core model promotes fully integrated workplace ownership and labour union representation allowing the benefits of union services and worker ownership to be delivered simultaneously. Underlying this strategy has been an acknowledgement that most new jobs

since the 1980s have been in the small enterprise sector but that is changing. Since this model template launched in March 2012, U.S. union-coops have seen wide sector diversity and scale with the largest to date (CHCA in New York City) fielding over 2,000 worker owners affiliated with SEIU 1199.

1worker1vote operates across multiple U.S. cities with the support of US labour unions that include the United Steelworkers (USW), Service Employees International Union (SEIU-UHW & 1199), United Food and Commercial workers (UFCW), International Union of Operating Engineers (IUOE), the International Association of Machinists and Aerospace Workers (IAM), and the Freelancers Union.

**Across Europe**, Since 2010 some 150 firms have been taken over by their workers to stop closure or a relocation of jobs. The majority are co-operatives, mostly in Spain but also in France, Italy, Greece and Turkey. This growth of workplace self-management has taken inspiration from the Latin American movement to defend jobs that since 2000 has brought under workers control 360 businesses in Argentina, 78 in Brazil and between them has saved 27,000 jobs.

**In France**, a good example is **Fralib**, a long-established local firm and producer of Thé Elephant at its factory near Marseille. Thé Elephant was bought by Unilever in 1975 and ran successfully with just a handful of managers who fostered team working. Management changes bred simmering resentment and in September 2010, when Unilever announced the closure and relocation of production to Poland, all 182 workers, supported by their CGT and CFE-CGC unions, occupied the factory.

The occupation lasted almost four years with production continuing and campaigning winning over support. Legal action against Unilever was unable to stop the formal closure of Fralib in September 2012. The campaign continued with 76 of the workers in occupation who with the support of CG-SCOP developed a worker co-op and switched to production of natural and organic teas using mainly regional products. Despite a court order, in March 2013 Unilever stopped the payment of wages. Their case was heavily publicized in the media, and they received public support by the then French Minister for Social Economy, Benoit Hamon, who also initiated the French social economy law.

In May 2014 Unilever agreed to a legal settlement to hand over the plant, but not the Thé Elephant brand. They sold the machines (valued at €7 million) for €1 and paid financial compensation of €20 million.



This enabled the worker co-op, Scop-TI, to be launched and for production to be restarted under the new brand, '1336' (the number of days they struggled to save

Fralib). They now sell 16 locally grown organic, herb and fruit teas, and have an internet sales site at <https://www.1336.fr>

In the UK, Suma is a worker co-operative in West Yorkshire. Set up in 1977 to supply wholefood shops with a broad range of organic and Fairtrade goods, plus its own range of products. It has an annual turnover of £60 million and a workforce of around 300, that includes 200 worker members and 80 other employees on contracts of 18 months or more. Co-op owner vacancies are advertised, and 5-10 employees become worker owners each year. Suma is collectively owned, and all workers are on the same, equal pay rate.



Suma regards management as a 'function, not a status' and its collective self-management culture is consensual. The regularly elected management committee performs a coordination role and appoints departmental coordinators.



Suma has always supported union membership with a workplace branch of the Bakers, Food and Allied Workers Union on site since the 1980s. 75% of the workforce are union members. The union relationship has operated for decades like the US union-coop model. Base pay for Suma workers and employees is £17.24 an hour, which is 40% more than the minimum wage. On top of that, Suma pays bonuses to worker owners each December, usually equal to one or two months wages. They provide a group pension fund, substantial staff sales discounts, generous paid leave plus non-financial benefits including free meals and snacks. Combined gross financial benefits for a worker owner are about £50,000 p.a.



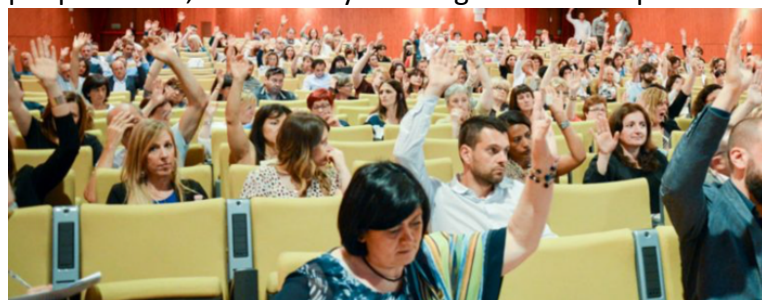
In Italy, **Formula Servizi** was founded in 1975 in Forlì in the Emilia-Romagna<sup>29</sup> by a group of 9 women cleaners. It has expanded from office cleaning to a broad range of services in cleaning, sanitising and maintenance services and archiving, as well as supplying and installing exhibition displays, air conditioning, and now has offices across Italy. As a worker co-operative, Formula Servizi has a long tradition of doing things differently and is underpinned by a belief in sustainability and environmentalism.



Formula Servizi – new HQ

There are 1,700 employees (1,202 Part time and 504 Full time - 90% on permanent contracts) in the co-operative and around 800 of them are worker-members. It now has a share capital of €3,086,378 held by the members, and the 11 members of the Board of Directors are directly elected by these members. Non-member employees are represented by union delegates.

Over 80% of the workforce are women and work schedules are organised to fit around people's lives, whether by offering a choice of part-time or full-time contracts or ensuring



Formula Servizi – General Assembly

The co-op has strong union links and fosters a culture of solidarity.

Formula Servizi now occupies its own 5,000 ft<sup>2</sup> freehold HQ premises, built to a very low energy specification.

that each worker is based close to home so that they have shorter commutes and reduce their carbon footprint. The net result is that the workers are highly motivated and committed to their co-operative.<sup>30</sup>

In the UK, **Actors Equity** has developed a special contract for co-ops and their aim is to promote and support actors' co-operative agencies, helping raise their profile and standing within the industry as well as the profile and standards of co-op agencies in general. This co-operative work was led by Chris Ryde, Equity's National Organiser in the 1980s.

Equity helped to establish the **Co-operative Personal Management Association (CPMA)**<sup>31</sup> in 2002, which now has 33 actors' co-operatives in membership across the UK. These co-operative agencies are separate from the union, but are supported and encouraged by it.<sup>32</sup>

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<sup>29</sup> The Emilia Romagna is the most co-operative region of Italy with co-ops producing 40% of GDP, and one of the most prosperous

<sup>30</sup> *Monaco and Pastorelli (ILO 2013) Trade union and worker cooperatives in Europe: A win-win relationship.*

<sup>31</sup> <http://cpma.coop>

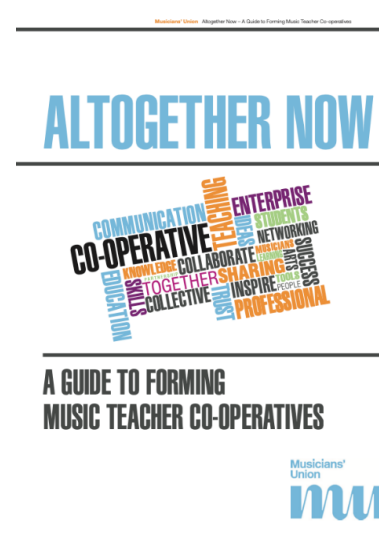
<sup>32</sup> <https://www.equity.org.uk/home/>

Established in 1977, **Oren Actors' Management**<sup>33</sup> is the longest running actors' agency in Wales. They represent a wide range of professionally trained actors with extensive experience in the industry. Oren provides actors for television, film, radio, theatre and commercials throughout the UK and abroad.



Oren members have worked for the BBC, ITV and S4C, playing roles in Da Vinci's Demons, Doctor Who, Torchwood, Emmerdale and many more.

**In the UK, the Musicians' Union** has since the 1990s helped its members to set up music



teacher co-operatives<sup>34</sup> as a response to cuts in the school music service. Years of austerity and local authority restructuring have cut the core funding for music services all around the country and many music teachers have been forced to become self-employed.

Members work for and through the co-operative whilst remaining self-employed. There are now 9 music teacher co-operatives nationwide: Newcastle; North Lincs; Swindon; Bedford; Milton Keynes; Salisbury; Denbighshire; Isle of Wight; and Wrexham. The organisational structure is completely flat; there are no heads of department or service.

The Musicians' Union is not promoting self-employment over direct employment. It sees the Music Teacher Co-operatives as a collective response to the severe cuts in music service provision in schools. Members share expertise and the co-ops provide greater control over teacher-members' working lives.

**In the USA, CO-OP CINCY**, a non-profit union-coop incubator founded in 2009, is based on the Mondragon<sup>35</sup> model and emerged from the 2009 United Steelworkers – Mondragon collaboration. Not for profit workers and union organisers from the Cincinnati area had been visiting Mondragon in the Basque country for some time and a consensus emerged that union--coops could help reverse the decline of "family-sustaining union jobs".



CO-OP CINCY launched its first union-coop, **Our Harvest** food hub, in April 2012. The launch was based on feasibility studies with labour leaders and the Cincinnati civic community. CO-OP CINCY currently works with dozens of partners, and has five union-coop businesses in various phases of development including start-ups around housing, childcare and home energy.

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<sup>33</sup> <http://www.orenactorsmanagement.co.uk>

<sup>34</sup> <https://www.union-coops.uk/publications/all-together-now>

<sup>35</sup> <https://www.mondragon-corporation.com/en/>

Union-coop development is underway in multiple U.S. cities and more examples of U.S. union-coops can be found on the U.S. Federation of Worker Cooperatives website at <http://unioncoops.org>.

**In Italy**, the **co-operative movement** has pioneered the provision of social care through both worker and multi-stakeholder co-operatives. Decent work has been created for disabled people, ex-offenders and those recovering from addiction.

**Social co-operatives** in Italy account for more than 380,000 jobs in 14,000 co-ops<sup>36</sup>. A national union agreement was agreed after the Social Co-operatives law was passed in 1991.

The three main co-operative confederations have national collective bargaining agreements with the Italian unions who represent 60% of all social and worker co-operative members.

Partnerships with the public sector have helped to develop a range of Fairtrade businesses to secure work for ex-offenders. Good examples include:

- **Pausa Cafe**<sup>37</sup>, a chain of co-operatively owned cafes employing ex-prisoners, now working with Carrefour Italia.
- **La Felicina**, a prison micro-brewery, in the Italian town of Saluzzo, for real ale that is popular and exported across EU and USA.
- **Exodus**, a door and window manufacturing co-operative operating within a prison that also creates jobs for those released from prison.
- **Libera Terra**<sup>38</sup> that has developed co-operatives to create work growing Fairtrade organic food products on land expropriated from the Mafia in Sicily and in other regions of Italy.
- **AgriSocial Italia**<sup>39</sup> a shared brand for the growing range of food products produced in Italian social co-ops.

**In Belgium**, **Smart (Société Mutuelle d'Artistes)**, was formed in 1998 to enable artists, technicians and intermittent workers to face the administrative complexity of the arts sector



in Belgium. Since then it has grown to over 100,000 members across 8 countries. **Smart** provides shared and individual workspace, and back-office services to its members, as well as its key function; to provide employed status rights to freelancers.

Since 2001, it has also supplied a debt underwriting and cash-flow support service to its members, who are paid within 7 days of invoice whether their customer has settled or not.

Smart Belgium & France carried out a review of its co-operative governance (la vie coopérative) in 2016 which has resulted in union representation for both its staff and its freelance membership.

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<sup>36</sup> <https://geo.coop/gleanings/democratizing-social-care-italy>

<sup>37</sup> <https://www.opesfund.eu/investments/pausa-cafe/>

<sup>38</sup> <https://liberaterra.it/en/>

<sup>39</sup> <https://www.agrisocialbio.net>



This is formalised in France through a Social and Economic Committee (CSE), and in Belgium, by a Works Council (CE) and a Health and Safety Committee (CPPT).

In the USA, the **Service Employees International Union (SEIU)**, a 1.9 million strong public services union, has been working with The ICA Group<sup>40</sup> (the Industrial Co-operative Association) to develop co-operative solutions for health and care workers. ICA Group helped



set up **Co-operative Home Care Associates** in Brooklyn, New York in 1983 and with 2,000 workers it is the largest US worker co-operative. In 2003 CHCA workers joined SEIU Local 1199. SEIU has been leading the fight in New York City for \$15 an hour for all home care and health workers.<sup>41</sup>

Another project between SEIU-United Healthcare Workers West and ICA Group is being developed in Oakland, California to provide a co-operative for community nurses, the **Nursing and Caregivers Cooperative**.

### What we can learn from existing union-coops

- Co-operatives have been successful in providing a range of services for the self-employed, for example, Smart in Belgium.
- The worker democracy in union-coops can support union movement renewal and organising programmes.
- That small/medium firms are essential to economic growth and employment creation, and union-coops provide a way to ensure this benefits the workers, not just external owners.
- Union-coops do not displace unions; union-coops make the union an essential part of the governance of the co-op.
- A union-coop offers the potential for a 100% unionised workforce – almost providing a return to the closed shop.
- Many unions in different countries and industries have been establishing successful unionised worker co-ops.
- Businesses have been rescued and turned around by harnessing the collective power of workers, their knowledge, skills and creativity through partnerships with the unions. Often, such co-ops have emerged from a sustained period of industrial action or occupation, strengthening the link with the union.

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<sup>40</sup> <https://icagroup.org>

<sup>41</sup> Anderson James (2016) *The Evolution of Union-coops and the Historical Development of Workplace Democracy*. 28 April 2016.  
[http://www.towardfreedom.com/index.php?option=com\\_content&view=article&id=4248\\_per\\_cent3Athe-evolution-of-union-co-ops-and-the-historical-development-of-workplace-democracy&catid=35\\_per\\_cent3Alabor&Itemid=101](http://www.towardfreedom.com/index.php?option=com_content&view=article&id=4248_per_cent3Athe-evolution-of-union-co-ops-and-the-historical-development-of-workplace-democracy&catid=35_per_cent3Alabor&Itemid=101)

- union-coops can deliver improved wages and other terms and conditions by eliminating top-slicing by external owners.
- Management becomes a function not a position of privilege or status, and union-coops have flatter salary ranges, some even going for a flat rate of pay for all.
- Worker co-operatives have successfully organised workers in sectors typified by precarious work, sectors usually typified by low union penetration and density.
- Worker co-operatives lock in their capital locally, and so can form an integral part of local regeneration, ensuring wealth created locally never leaves the area.

### What we can learn from other countries' unions

The European TUC's survey<sup>42</sup> across 23 European countries of labour union innovation to tackle the needs of self-employed workers highlights different ways of organising that the union movement is developing:

**Specialist unions** exist in many countries in trade sectors where freelance working has been common for a long time. These include the education, journalism, entertainment and health professions.

- **Unions for the Self-Employed** are general unions which only recruit the self-employed. They have emerged as affiliates of the UGT in Spain, the FNV in the Netherlands and CISL in Italy.
- **Precarious workers' unions** are a new innovation, and represent workers on all forms of zero hours, temporary and part time contracts. In Italy all three labour union confederations support this model. Also, there is a similar union in Slovenia, and in the UK, the Independent Workers of Great Britain fall into this category.
- **Mainstream unions** in some countries have responded to the unmet needs of the self-employed by developing targeted recruitment strategies. This is the case for IG Metall in Germany, Unionen in Sweden for some time, CFDT and CGT in France, and Unite, the GMB and Community Union in the UK.

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<sup>42</sup> [https://www.etuc.org/sites/default/files/publication/file/2019-04/2019\\_new%20trade%20union%20strategies%20for%20new%20forms%20of%20employment\\_0.pdf](https://www.etuc.org/sites/default/files/publication/file/2019-04/2019_new%20trade%20union%20strategies%20for%20new%20forms%20of%20employment_0.pdf)

# The **union-coops:uk** Call to Action

## **The UK suffers from a democratic deficit.**

From the House of Lords to Local Health Boards, Local Enterprise Partnerships, FreePorts, and National Parks Authorities, we are governed by unelected groups.

Over the past 75 years, we have had a Conservative Government for 46 years and Labour for 29, despite the anti-Tory vote being greater than the Tory/Reform vote at every election. The UK is essentially a left of centre country governed largely by the right.

The workplace is no different, and almost all our businesses have no democratic input from their most valuable asset – the workforce. When the joint union committee at Lucas Aerospace launched the Lucas Plan<sup>43</sup> in 1976 the management completely ignored its radical ideas, including electric cars, road/rail vehicles, heat pumps and wind turbines. Today we have a new Labour Government, and whilst it's early days there is no sign of Labour taking up its ideas on reframing production and workplace democracy.<sup>44</sup>

By bringing democracy into the workplace, combining the democratic traditions of unions and co-ops, we will be making one small step to changing undemocratic Britain.

### **Union members:**

- Talk about union-coops in your branch.
- Get a speaker to address your local/regional/national conference.
- Contact Co-operatives UK<sup>45</sup> to locate a Co-operative Development Body near you.
- If your company is in difficulty to see if a union-coop solution is viable.

### **Co-operators:**

- Join a union.
- Talk to your local organiser.
- Change your governance to include the union-coop model.

### **Joint Action:**

- Set up a joint working group between the TUC and the Co-op Movement.

### **Contact us:**

[info@union-coops.uk](mailto:info@union-coops.uk)

<https://www.union-coops.uk/contact>

[@unioncoops-uk.bsky.social](https://www.union-coops.uk/contact)



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<sup>43</sup> [https://en.wikipedia.org/wiki/The\\_Lucas\\_Plan](https://en.wikipedia.org/wiki/The_Lucas_Plan)

<sup>44</sup> <http://lucasplan.org.uk>

<sup>45</sup> <https://www.uk.coop/about/about-co-operatives-uk/our-governance/strategic-members-groups/co-operative-development-forum>