

EMPLOYEE OWNERSHIP ASKS FOR ITS PLACE IN THE SOCIAL ECONOMY

European Employee Ownership wants to be recognized as a part of the social economy, together with co-operatives, mutuals, associations and foundations.

The development of employee ownership is a trend of major importance in the current world social context.

Employee owners, as neither just employees nor just shareholders but co-entrepreneurs, are closely related to workers' co-operatives. Therefore, EFES (the European Federation of Employee Share Ownership) and CECOP (European Confederation of Workers' Co-operatives, Social Co-operatives and Participative Enterprises) are partners: EFES asks for its place within the social economy, beside CECOP.

In its mission statement (see enclosed on the back page), EFES states "employee ownership and participation make a significant contribution to economic and social progress. They combine excellence in labour productivity and business performance with a broad, constructive social contribution". From the start, employee ownership highlighted its specificity: indeed, its primary concern is neither patrimonial, nor financial, but rather sustainable development and participation in decision-making in the company.

Employee ownership gives enterprises roots and balance. Together with other forms of participation, it leads to better work and more efficiency. "EFES will promote wide-spread wealth, business excellence and humanity (in the workplace and in its environment) to go hand in hand." EFES is therefore an open organisation - gathering, among its members, several important Trade Unions.

Employee ownership and participation proceed from, but also contribute to corporate social responsibility.

Today, being a company's main shareholder requires but a little percentage of the shareholding. In other cases 5 or 10 % of the shares must be gained for employee shareholders to consider themselves as co-entrepreneurs and access to decision-making. Whenever the rate reaches over 25 to 30%, it is almost always a situation of co-enterprise.

Employee ownership is also likely to bring a substantial contribution to economic and social development and to employment in Europe. Generally speaking employee ownership and participation improves growth, adding up to 1% to the national product, on an annual basis.

Europe wide, collective social responsibility should see employee ownership as a major element in the European strategy for employment.

In a country like Spain, original forms of employee ownership such as the Mondragon co-operatives and the Sociedades Anonymas Laborales, are explicitly linked to the social economy and its organization.

For all those reasons, we feel that employee ownership must be integrated as a part of the social economy and its objectives in terms of sustainable development, social integration and cohesion. Therefore, we ask employee ownership to be recognized as a fifth element of the social economy, alongside co-operatives, mutuals, associations, and foundations.

Marc Mathieu, May 10th, 2002.