



POLICY FOR CO-OPERATIVES

Manchester Ways Forward Conference Friday 05 April 2019

Labour Doubling Coops

“We reject entirely the views of those on the right of the political spectrum who see cooperatives as a means of undermining the strength of the trade union movement by exposing groups of workers to the full blast of market forces.

“Such advocates are false (and dangerous) foes of the cooperative movement.

“The principles and practice of cooperation are at total variance with both the theory of unbridled competition under capitalism and the present day reality of big business domination”

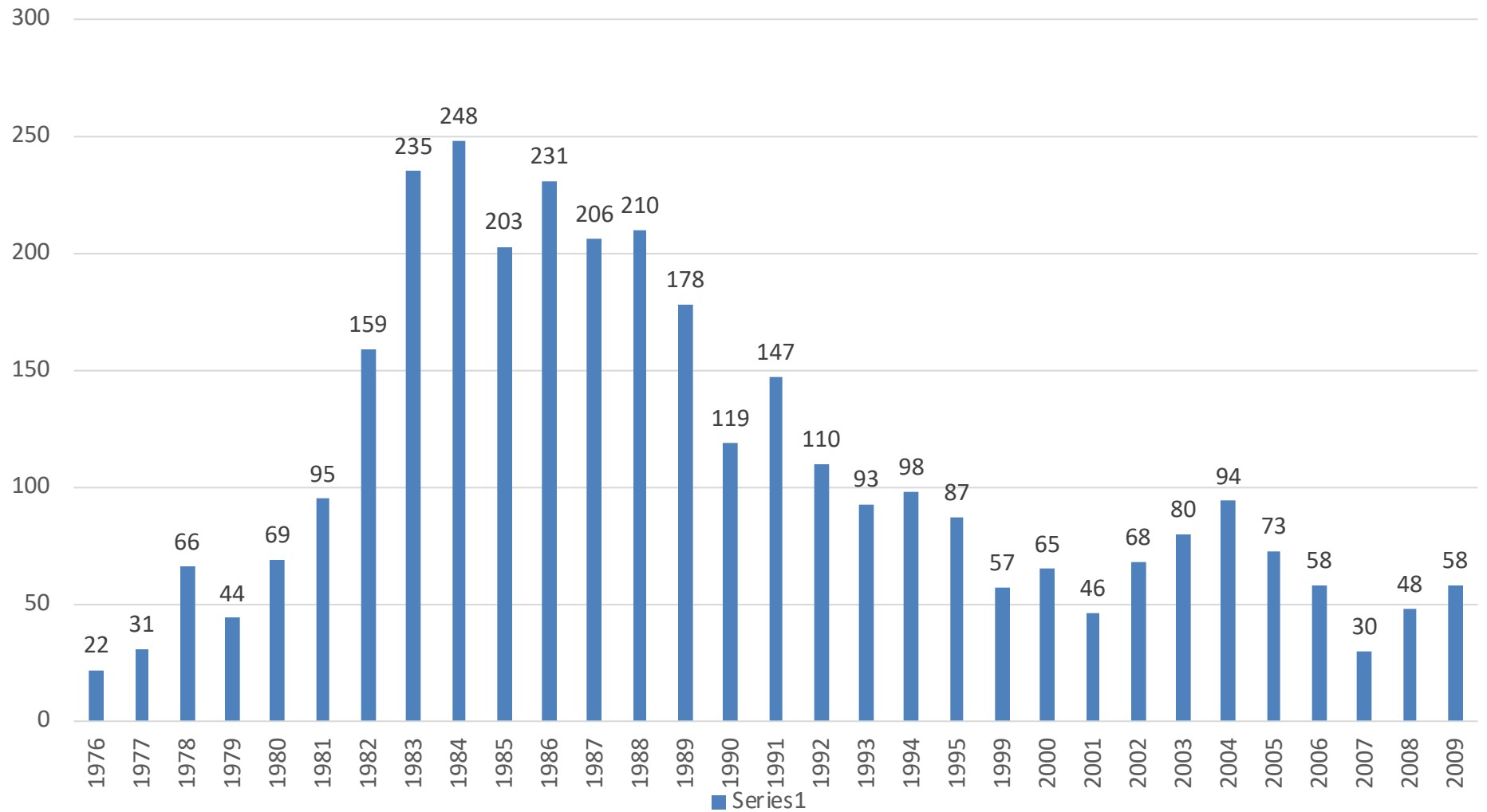
(Labour Party NEC, September 1980, p. 30)

ICOM and Coop Registrations 1976 to 2009

1977	31	1987	206	2000	65
1978	66	1988	210	2001	46
1979	44	1989	178	2002	68
1980	69	1990	119	2003	80
1981	95	1991	147	2004	94
1982	159	1992	110	2005	73
1983	235	1993	93	2006	58
1984	248	1994	98	2007	30
1985	203	1995	87	2008	48
				2009	58

(Laycock and Coops UK. 2017)

Coop Registrations



(Laycock and Coops UK. 2017)

Sheffield Employment Coordinator

Job Description (for an alternative local social economy):

- to assist the Employment Committee on approaches for advice and financial assistance from enterprises and potential enterprises
- to encourage the development of co-operatives
- to work towards setting up a local enterprise board with a system of planning agreements
- to develop municipal enterprise (although without responsibility for running it on a day to day basis)

(Cochrane, 1991, p. 374)

NEF: Coops as Market Enterprises

- “It is the rediscovery of the enterprise culture, operating within the framework of markets progressively liberated from rigidities and distortions, that will provide the only answer to the curse of unemployment, and the only true generator of new jobs”

(Lawson, 1984)

- “Co-operatives are at heart free enterprises..... This is because how businesses are owned – who has distributional and control rights within the firm and also who captures the value they add – vitally shapes how they operate, in whose interests, over what time horizon, and how they distribute their profits. In turn this determines the nature of enterprise and the distribution of economic power and reward in society”

(Lawrence et al., 2018, p. 3,6)

NEF “Coops Unleashed”

- NEF routemap to the market vs. private competition:
 - “Contracts above a certain value should require bidders to demonstrate how they will use the local supply chain, and all other suppliers should be encouraged to source locally where possible and to consider local businesses and co-operatives when sub-contracting. **Larger procurement should be broken into smaller lots where possible, to enable and encourage local SME, third sector, co-operative and social enterprise participation**”.

(Lawrence et al., 2018, p. 41)

NEF “Coops Unleashed”

- “Consequently the state is looking to off-load direct financial commitments, of which a major one is the wage bill for public sector workers. In February 2011 Francis Maude expressed an ambition for one million public sector workers to move to mutuals.
- “Externalising” or “spinning out” services is the agenda; and enabling them to become social enterprises and mutuals may sound more palatable and meet less resistance than privatisation”.

(Mills, Local Government Chronicle 2013)

NEF Report “Coops Unleashed”

- NEF Report proposals for a Co-operative Economy Act with “Five Steps for a Co-operative Economy”
 - an asset lock
 - a right to own to support employee buyouts
 - a “duty to develop the diversity” of corporate form
 - a Cooperative Development Agency in statute

(Lawrence et al., 2018, p. 34)

Parliamentary Process

- Proposals for amending taxation, governing coops, registration of societies and on cooperative capital more easily be progressed as possible clauses for insertion into other appropriate bills.
- Previous examples of insertions:
 - Department of Trade included clauses for Community Interest Companies into the Companies (Audit, Investigations and Community Enterprise Act 2004 (Department of Trade and Industry, 2004)
 - Financial Conduct Authority (FCA) was given its initial remit in the Financial Services and Markets Act 2000
 - FCA registration powers later conferred within Cooperative and Community Benefit Societies Act 2014

Labour Manifesto June 1983

- 1983 Labour Party Manifesto included proposals for a UK version of the Italian Macora Law, with commitments to:
 - “give generous encouragement and help to worker co-operatives and local enterprise boards
 - establish a Co-operative Investment Bank
 - development agencies and local authorities will be empowered to support and to help establish co-operatives and local enterprise boards
 - new rights to workers to convert their firms to co-operatives”

(Labour Party, 1983)

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