

New possibilities in Sweden for social co-operatives as an alternative to public sheltered workplaces?

Eva Laurelii, Kooperativ Konsult, Sweden

Social co-operatives and the development in Sweden of social entrepreneurs in the field of integration of disabled and disadvantaged people have obstacles but there are also positive trends.

1. Municipal involvement:

Social legislation reforms during the middle of nineties placed the primary responsibility for integration of excluded people with social, mental and intellectual disadvantages on the municipal authorities. Together with the authorities own development of rehabilitation and other work activities, there was an interest to encourage social co-operatives to meet the increasing number of excluded people and find innovative ways to create businesses. The membership in the European Union 1995 made it possible for projects with a conclusive aim to start co-operatives. The number of social co-operatives increased from about 40 in 1995 to over a hundred in the spring of 2003. The co-operatives are very diversified, from small budget businesses with members working on subsidy to sustainable businesses with employed members.

Many municipalities are today in economical difficulties. The effects for the social co-operatives that rely on municipal support, can be grave. New solutions for financing support must be developed, moving the task from the social area more to the area of labour market measures and to the responsibility of the state.

2. State involvement

Samhall, the big public sheltered workplace with about 25 000 employees have been in a crisis for some years because of a changing market for subcontract work and harder economical demands. A restructuring of Samhall is now coming to a solution where there is an opening for co-operation with municipalities and social co-operatives and a possibility for alternative actors on the commission of the state to run businesses creating work for people with disabilities. This implies a change from a more monopoly position that has been the case for many decades. The states subsidies for employees at Samhall can become a possible contribution to alternative social enterprises. Together with a new legislation for wage subsidies for disabled persons that are going to be decided next spring, there is hopefully challenging opportunities for development of old and new social co-operatives.

3. Interest organisations involvement

Grass root organisations, especially from the mental health area, have been the motor of the development of social co-operatives since the end of the eighties. In 1998 they started together with the Co-operative Development Centres in Sweden a project called "The Social Co-operative Project." An umbrella organisation for handicap associations in Sweden joined the project in 2000. Together with other initiatives to strengthen the social economy in Sweden, the information, material production and lobby activities by the Social Co-operative Project have increased the recognition, legitimacy and interest for social co-operatives.

The challenges now to be met, are connected to the need to find the best prerequisites for sustainability of the businesses. A need to go from the "permanent circumstance" that many co-operatives still have to face, because of project financing and the time consuming efforts to find money for investments and needed support.

The most important issues on the agenda are:

- To create a support structure that consists of consultation, training and business development activities through networks of social co-operatives, co-operative development agencies, training organisations and public and private actors.
- Discussions about special treatment for social firms/social co-operatives concerning tender procedures and tax reductions.
- Alternative financing for development and investments.
- Designing good practice for evaluation and quality work.
- The development of the profession of facilitators, support persons, social entrepreneurs that are needed at the co-operatives to secure continuity and competence. The facilitators are seldom members of the co-operative, but they give guidance and consultations to the members and the board.

Social co-operative development is encouraged by positive statement from the Swedish Association of Local Authorities, the Ministry of Industry and Commerce and other authorities. Together with networks of social co-operatives, SKOOPI, the Social Co-operative Project, networks of Equal projects and enthusiastic social entrepreneurs, efforts will be done to promote a positive development of social co-operatives in Sweden.