



INTERNATIONAL  
CO-OPERATIVE  
ALLIANCE

Route des Morillons 15  
1218 Grand-Saconnex  
Geneva  
Switzerland

Tel: (41 22) 929 88 88  
Fax: (41 22) 798 41 22  
E-mail: [ica@coop.org](mailto:ica@coop.org)  
Website: <http://www.coop.org>

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**78<sup>th</sup> International Co-operative Day**  
**6<sup>th</sup> UN International Day of Co-operatives**  
**1 July 2000**

**Message from the International Co-operative Alliance ICA**

**"Co-operatives and Employment Promotion"**

Employment promotion is the theme of this year's 78<sup>th</sup> ICA International Co-operative Day, and the 6<sup>th</sup> UN International Co-operative Day. It was chosen in recognition of the Special Session of the UN General Assembly which will be held in Geneva from 26-30 June to discuss follow-up to the 1995 World Summit for Social Development.

The expansion of productive employment and the reduction of unemployment were among the top priorities in the 1995 Copenhagen Declaration and Programme of Action. Both documents recognised the current and potential contribution of co-operatives for generating and maintaining quality employment in both rural and urban areas.

The United Nations estimated in 1994 that the livelihood of nearly 3 billion people, or half the world's population, was made secure by co-operative enterprises. More than 800 million individuals are members of co-operatives, which provide an estimated 100 million jobs. In a number of countries in Africa, the co-operative movement has become the second largest employer, surpassed only by the State. In this region, the majority of jobs have been created through the activities of agricultural co-operatives - production, marketing, and processing. In Europe alone, co-operatives provide employment to more than 5 million individuals. Five million is also the size of the staff in the All-China Federation of Supply and Marketing Co-operatives!

Worker-owned co-operatives are increasing in number all over the world. They already provide self-employment to millions of worker-owners in sectors as diverse as health and social services, public services, education, transport, and tourism. They are also increasingly formed by professionals whose previous private or public employment has ended.

Co-operatives are not only major sources of employment in large-scale enterprises providing foodstuffs, services to consumers, and financial services. They are also an important source of new job creation by providing enhanced employment opportunities. Financial co-operatives mobilise capital for productive investment and provide people with secure institutions for the deposit of savings which also encourage the formation of new enterprises and thus new jobs.

Co-operatives are also increasingly providing quality job opportunities for specific groups, such as youth, women, indigenous people, persons with disabilities, and the informal sector. Some are consumer-owned, some are worker-owned, and an increasing number are "multi-stakeholder" in nature. The ability of co-operatives to integrate women and youth into the workforce is particularly important, as these vital human resources are badly under-utilised in many countries.

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However, it is important to stress that co-operatives are business enterprises, not instruments of public policy. They create jobs by providing a mechanism that responds to market needs in an efficient way.

The goal of full employment requires that the State, the social partners, and civil society create conditions that enable everyone to participate in and benefit from productive and decent work. Co-operatives are making their contribution as business enterprises with a concern for the communities and the environment in which they operate. In doing so, they also contribute to the protection of democratic governments, and even peace, which are increasingly threatened by the forces of economic and social exclusion.

This is why co-operatives also require and deserve a favourable policy environment in which to work. When co-operatives request changes to their national legislation, the adoption of UN guidelines for co-operative development, or the amendment of Recommendation 127 of the International Labour Organisation (ILO), governments should understand that a supportive policy towards co-operatives will bring economic and social progress, not least in the key area of employment promotion.