

**Message by
Juan Somavia, Director-General of the International Labour Office,
on the occasion of the
International Day of Cooperatives
2 July 2011**

“Youth, the future of cooperative enterprise”

The ILO is pleased to join the international community in celebrating International Day of Cooperatives focussing on the theme of “youth, the future of cooperative enterprise.”

In recent months young people have been in the vanguard of movements calling for change. They have been expressing dissatisfaction and anger about the deep deficits of jobs and decent work, the absence of fundamental freedoms and social justice.

There are some 81 million officially unemployed young workers worldwide – the highest level recorded. Many more are discouraged from even seeking a job. Young people are nearly three times more likely than adults to be unemployed while in some countries the situation is even worse. And more than a quarter of all young workers in the world – or 152 million – are poor workers who earn less than 1.25 dollars per day.

Without opportunities in the present, young people risk losing faith in the future. They face major challenges finding a job or starting up their own enterprises. Lack of relevant training, lack of experience, knowledge and finance and lack of organizational capacity are some of the hurdles they must overcome. They, like so many others excluded from the benefits of present patterns of growth, are seeking new and sustainable approaches that respond to their aspirations for decent work.

Cooperatives have great potential to be part of effective strategies to meet this goal. Today they have 1 billion members and generate 100 million jobs. Young people can bring a new dynamism to the cooperative movement. In turn they have much to gain from the opportunities to create their own businesses or to find employment and to benefit from affordable products and services. Cooperative ideals also mesh well with the concerns of so many young people for democratic, responsible and ethical business operations.

This is reflected in the views of one 23 year-old cooperative employee who said, “A great benefit of co-ops is the chance to see democracy in action in an environment where people have a say in the business or organizations where they work”. Other young cooperators speak of their ‘passion’ for cooperatives as they put people first and care about the environment in which people live – “cooperatives make the right to a decent life, a reality”.

For these reasons the ILO has been supporting youth empowerment through cooperatives. In one example it has worked with unemployed, marginalized young people in Kenya and Zimbabwe to provide entrepreneurship and technical skills training and access to microfinance to enable them to start or grow their own cooperatives. Elsewhere, a challenge fund was established to open up access to credit and related services through savings and credit cooperatives.

Many young people are benefiting from cooperative approaches and there is much good experience in promoting cooperative enterprise models through schools, universities and less

formal channels. Yet much more needs to be done to promote such education and training as called for in the ILO's Recommendation on the Promotion of Cooperatives.

On this International Day of Cooperatives, and in the lead up to the International Year in 2012, let us focus on the action required to ensure that young people everywhere have the capacity and support they need to take greater advantage of the cooperative enterprise.

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