

**Twentieth sitting**

Wednesday, 19 June 2002, 10.15 a.m.

*President: Mr. Elmiger*REPORT OF THE COMMITTEE
ON THE PROMOTION OF COOPERATIVES:
SUBMISSION, DISCUSSION AND ADOPTION

Original French: The PRESIDENT — We now have before us the report of the Committee on the Promotion of Cooperatives, contained in *Provisional Record No. 23*. The Officers of the Committee were as follows: the Chairperson was Mr. Pliszkiwicz, Government, Poland; the Employer Vice-Chairperson was Mr. Tan, from the Philippines; the Worker Vice-Chairperson was Mr. Patel from South Africa; and the Reporter was Ms. Raivio, Government, Finland.

I call upon Ms. Raivio, Reporter of the Committee, to submit the report of the Committee on the Promotion of Cooperatives.

Ms. RAIVIO (*Government delegate, Finland; Reporter of the Committee on the Promotion of Cooperatives*) — I have the honour today to present to you the report of the Committee on the Promotion of Cooperatives. Again this year, the Committee benefited greatly from the able chairmanship of Mr. Pliszkiwicz, Government delegate, Poland. His experience and wisdom as well as his delightful sense of humour kept the Committee moving forward in a truly cooperative spirit. It gave concrete expression to many of the very same values of shared purpose, responsibility and participation which underpin the cooperative movement itself.

Crucially important to the success of the Committee was also the excellent leadership provided by the Employer Vice-Chairperson, Mr. Tan of the Philippines, and the Worker Chairperson, Mr. Patel of South Africa.

I also wish to recognize the contribution of our competent secretariat team, which worked very efficiently under the leadership of Mr. Henriques.

The Committee held 14 sittings, and the report, including the instrument prepared by the Committee, is before you in *Provisional Record No. 23*. In recognition of the significant political and economic changes which have affected the situation of cooperatives worldwide since the adoption of the Co-operatives (Developing Countries) Recommendation, 1966 (No. 127), the Governing Body of the International Labour Office decided in March 1999 to place the item of promotion of cooperatives on the agenda of the 89th and 90th Sessions of the International Labour Conference with a view to adopting a Recommendation. The Governing Body felt that the development of a new universally recognized standard could enable cooperatives to more fully develop their self-help and employment-generating potential and

address a number of current socio-economic issues, including unemployment.

Cooperatives give their members a voice by pooling their resources, and thus enhance their own capacity to efficiently compete in an increasingly global marketplace and to further social inclusion.

The Committee had before it Conference Reports IV(2A) and IV(2B). These reports summarized the comments and proposed amendments received from the constituents on the texts developed by the Committee last year.

The Office's reports were appreciated as a helpful basis for the discussions. The instrument which has resulted from the Committee's work is significantly different from the 1966 Recommendation, which it is revising and replacing.

The proposed Recommendation represents the joint efforts of the governments, employers and workers in developing an instrument that is balanced and universal in nature and which provides concrete and useful guidance to the ILO constituents and others committed to the development of cooperatives.

The instrument is fully in conformity with the values of the ILO and those of the cooperative movement. Thus, the Preamble recognizes the important role of cooperatives in job creation and mobilizing resources, and their contribution to the economy. It also makes reference to the Declaration of Philadelphia, the ILO Declaration on Fundamental Principles and Rights at Work, the ILO fundamental Conventions, as well as to a range of other relevant instruments.

The instrument recognizes that cooperatives operate in all sectors of the economy and stipulates that the scope of the Recommendation extends to all types and forms of cooperatives. It sets out a definition of cooperatives which reflects the perspectives of the ILO and the international cooperative movement.

The definition is further enhanced by the inclusion in the instrument of the recognized cooperative values of self-help, self-responsibility, democracy, equality, equity and solidarity, as well as ethical values of honesty, openness, social responsibility and caring for others.

Cooperative principles, as developed by the International Cooperative Alliance, are referred to in the Annex. These principles are: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education; training and information; cooperation among cooperatives; and concern for the community.

While firmly supporting the principle of autonomy of cooperatives, the Committee spent considerable time searching for ways to have cooperatives operate

on a level playing field alongside other business enterprises.

The results of these deliberations are set out in the second section of the instrument. Governments are called upon to define and apply a supportive policy and legal framework that is consistent with the nature and functions of cooperatives, and elements of such a supportive environment are identified.

Other important areas for national policies identified in the instrument include ensuring that labour legislation is applied in all enterprises and that best labour practices are followed; promoting gender equality in cooperatives and their work; developing technical, vocational, entrepreneurial and managerial abilities of members, workers and managers; providing safety and health measures in the workplace; and facilitating access of cooperatives to credit and markets.

Considerable attention is also given to education and training in cooperative principles and practices at all appropriate levels, as well as to the wide dissemination of information on cooperatives.

Furthering women's participation in the cooperative movement at all levels calls for special consideration, as does developing activities that benefit disadvantaged groups or regions.

The instrument also calls on governments to promote the important role of cooperatives in transforming what are often marginal survival activities in the so-called informal economy into legally protected work fully integrated into mainstream economic life.

The instrument recognizes that a balanced society requires the existence of strong public and private sectors as well as strong cooperative, mutual sector. It is in this context that governments should provide a supportive policy and legal framework.

A number of significant support services for cooperatives are identified along with guidelines for their delivery. Also, the substantial role of employers' and workers' and cooperative organizations are identified, as are a range of suggestions for international cooperation in areas which can provide meaningful support to the cooperative sector at all levels.

I am pleased to note that the instrument developed by the Committee is both comprehensive and future-oriented, and it seems certain that the Recommendation will provide valuable guidance to member States and others concerned with the promotion of cooperatives in the years ahead.

In conclusion, it gives me great pleasure to recommend to you for adoption the documents submitted by the Committee on the Promotion of Cooperatives.

Mr. TAN (*Employers' delegate, Philippines; Employer Vice-Chairperson of the Committee on the Promotion of Cooperatives*) — We have just concluded our work in the Committee on the Promotion of Cooperatives and before you is a report of the Committee and a Recommendation proposed for your consideration.

When we, the Employers' delegates, came to the second discussion of this subject this year, we encountered many obstacles, in respect not only of the drafting, but also of the substance, of the text of the proposed Recommendation.

But in fairness to the hard work and efforts of the Committee members, there were also points and ideas on which we concurred and I would like to start with these.

First, it was clear from the response of government, employers' and workers' organizations that we want a universal instrument that is acceptable to the broad spectrum of member States that make up the International Labour Organization.

Secondly, we endorsed the importance of cooperative principles and values, so that these had to be incorporated into the text of the proposed Recommendation, although the explanation or illustration of these principles was not included.

Thirdly, we were unanimous about the need to limit the role of governments to providing supportive policies and measures for the promotion of cooperatives, where appropriate, and in accordance with national law and practice.

Fourthly, we agreed that employers' and workers' organizations, according to their respective mandates, have a role to play in the promotion of cooperatives as self-help business enterprises geared to respond to the needs of its members. We also understand the need for international and national cooperation among cooperatives.

The text of the proposed Recommendation reflects these influences and ideas, although in varying shades of specificity and intensity. But it is not a perfect instrument and in all candour, a few of us may have some reservations, in that the proposed Recommendation does not go far enough to uphold some of the principles we believe are of a fundamental character. I shall discuss them *seriatim*.

First, the key issue that has confronted us since last year was whether we are focusing the instrument on cooperatives and their promotion or on the promotion of workers' rights and labour standards in cooperatives. A reading of the original text and the Preamble was a great disappointment, because it contained no reference to cooperatives, only to workers' rights and ILO instruments on labour standards.

The Committee finally acknowledged the justness of our concern by adopting three new paragraphs in the Preamble that were cooperative-specific and now, at least, the Preamble to the text and this Recommendation do have a modicum of relevance to the promotion of cooperatives. It is a formulation we can only just live with.

The Preamble was not, however, the only place where incursions of labour standards over the secure borders of a truly promotional instrument for cooperatives occurred.

In the section on policy framework and the role of governments, we questioned the inclusion in national policies of the initiative to promote ILO standards and to anticipate violations of labour laws in cooperatives, because these have no place in an instrument for the promotion of cooperatives. But we did not get support for the purity of our intentions and we had to abide by the wishes of the majority.

And, thanks to the open-mindedness of Governments and ultimately of Workers, the idea of including in the Recommendation the exercise by workers in cooperatives of the right to participate in decisions that directly affect them and to have access to information for collective bargaining, was dropped. That would have jeopardized the emerging consensus among the social partners to adopt a workable Recommendation for the promotion of cooperatives.

The second fundamental issue and debate which was at the very heart of the Recommendation was the

non-negotiable imperative to maintain the principle of the “level playing field” in the treatment of cooperatives. The discussion on this subject was not only lengthy and profound, it was also touch-and-go.

Even among our colleagues in the Employers’ group and among Governments, the views of those coming from developed countries did not always coincide with those coming from the developing countries. That was understandable, given their varying experiences. Those who know all about large powerful cooperatives cannot accept preferential treatment for them, while those whose experience has centred on small, rural, agricultural or consumer cooperatives wanted to be more flexible.

It was a delicate job to balance these different attitudes. But at least in our own group there was a united front to press for the level playing field concept.

Thus, in the section on the scope, definition and objective of cooperatives, the concept of free competition was established in the very first paragraph, which declared “it is recognized that cooperatives operate in all sectors of the economy”.

The section then goes on to provide a definition of a cooperative and to set out measures to promote the potential of cooperatives to develop income-generating activities, among other things.

In section II, on policy framework and the role of governments, the level playing field debate yielded a good compromise, in the form of language that allowed governments flexibility in adopting measures for cooperatives. Thus, in Paragraph 6, it states that governments should provide a supportive policy that would, and I quote, “provide for the adoption of measures for the oversight of cooperatives, on terms appropriate to their nature and functions, which respect their autonomy, and are in accordance with national law and practice, and which are no less favourable from those applicable to other forms of enterprise and social organization”.

This is an important provision of the Recommendation.

Again, in Paragraph 7(2), this principle was reiterated after an intense debate, and states and I quote: “Cooperatives should be treated in accordance with national law and practice and on terms no less favourable than those accorded to other forms of enterprise and social organization. Governments should introduce support measures, where appropriate, for the activities of cooperatives that meet specific social and public policy outcomes, such as employment promotion or the development of activities benefiting disadvantaged groups or regions. Such measures could include, among others and in so far as possible, tax benefits, loans, grants, access to public works programmes and special procurement provisions.”

In section III on implementation of public policies for the promotion of cooperatives there was an attempt to introduce the words, “favourable” and “preferential” before support measures, such as access to credit, among others. This would have jeopardized the level playing field concept. But we appealed to governments and workers to withdraw them, and they did so in a gesture of tripartite cooperation. Thus we have in this section provisions that underscore the fact that governments should, where appropriate, adopt measures to facilitate the access of cooperatives to support services, such as investment, finance and credit.

All of these actions were meant to soften the incivility of a straightforward declaration of the level playing field principle and this approach paved the way to a consensus in the Committee.

There were other debates touching on the workers’ introduction of the concept of the social sector, which had no universal acceptance. Thanks to the Committee’s sense of propriety and wisdom, this phrase was abandoned. We would have liked to see the same attitude to the phrase “social audit”, because it is not a reality in many countries. But again, we had to yield to the majority wish, rather than bear in mind the value of terminology.

Now we have an instrument that, as a whole, is reasonable and one that addresses our concerns in that: the Preamble provides the context for the promotion of cooperatives and this was brought about by the dilution of its labour-standards bias; cooperative principles and values are in place; the instrument is universal in application; the text inculcates the idea of free competition and preserves, to a meaningful extent, the principle of a level playing field; it bridges the gap between developed and developing economies by giving flexibility to governments in accordance with national law and practice, and by allowing them where appropriate, to provide support services to cooperatives no less favourable than those accorded to other enterprises, for the activities of cooperatives that meet specific social and public policy outcomes.

It is a Recommendation we can accept and live with and our group recommends that this Conference adopt it. We, however, have reservations with regard to the Annex. From a purely technical point of view, it is our considered opinion that there was no necessity to have an annex to the Recommendation. It is true that the annex is merely an extract from a statement, that serves as an illustration and legally speaking it is not an integral part of the Recommendation, because the extract is not an ILO document and its text has not been examined by the Committee in detail. Nevertheless, it would have been in full compliance with law-making procedures and the norms of ILO instruments, not to have the annex appended to the Recommendation.

Finally, my admiration goes to the Chairperson of the Committee for his wisdom, competence and skill and to the Worker Vice-Chairperson for his splendid dedication to the idea of having an instrument that is acceptable to the social partners. My thanks also go to the ILO secretariat and interpreters for a sterling job which ensured that the work of the Committee ended in unqualified success.

Mr. PATEL (*Workers’ delegate, South Africa; Worker Vice-Chairperson of the Committee on the Promotion of Cooperatives*) — Today we are here to discuss an innovative and modern instrument, yet one that is founded on the timeless values of the ILO. The text is the product of a committed effort, a partnership of dialogue. At the outset, therefore, may I thank the Chairperson of our Committee, Marek Pliszkiwicz, our Reporter, the many governments who shared their enlightening and helpful insights in the Committee, the ILO staff who work so competently, the members of the Workers’ group who are a source of inspiration and Bob Kyloh of ACTRAV, for his constant support and advice. I pay tribute to my Employer counterpart, Mr. Tan, who led his team

with grace and dignity. All three groups will find at least some of the concerns and their aspirations reflected in the final text.

We found the tone of the discussions constructive and friendly, and appreciated the fact that the vast majority of conclusions were adopted by consensus. ILO instruments tend to reflect the experience in this diverse world we live in, and aim to provide meaningful answers to our challenges. The central challenge of our times is how we respond to the relentless pressures of global economic integration. Globalization has brought benefits to some. It has been associated with a vast expansion in the stock of economic assets, with rapid growth, with modernization. It has also been linked to significant social deficits, deep poverty, increased income inequality, immense concentration of wealth and large-scale unemployment. Recent years have seen a profound search for ways to respond to globalization. Some have thundered against economic integration and have searched for ways to return to the certainties of the past. Others have sought ways to reshape globalization, to make it serve human and social interests. This latter endeavour has led to much reflection within the ILO, and was the impetus behind the establishment of a World Commission on the Social Dimension of Globalization.

This challenge led the ILO Director-General, in his Report entitled *Decent work*, submitted to the International Labour Conference three years ago, to note that a global economy without a sound social pillar will lack stability and political credibility.

Much of the discussion on the social pillar has focused on the macro picture: the role of multilateral institutions and the importance of global-level public policy interventions. What has been missing has been a sufficient reflection on the enterprise, an important part of the wealth-creating machinery of every country. Cooperatives are a surprisingly apt form of enterprise to respond to the massive challenge of globalization. In the nineteenth century cooperatives developed as a direct response to the vision of economic activity founded on ethical values, on the notion that production and consumption of goods and services were compatible with the promotion of human values and human solidarity. In our view these values are even more than ever before significant, timely and relevant in the globalizing world today.

For this reason the widespread promotion of cooperatives is essential to a balanced society and a mixed economy. Cooperatives are a form of enterprise inspired by social and ethical values, not as a by-product, but as the key and explicit objective. They are founded not on the notion of a trade-off between economic and social values, but as a fusion of the two.

This instrument highlights the distinctive social sector, a sector that combines entrepreneurial spirit with a social soul. The instrument, in our view, makes a timely and fitting contribution to the search for social justice and economic efficiency. In the Preamble it lays some significant foundation stones. It quotes those ringing words from the Declaration of Philadelphia that proclaim that labour is not a commodity, and it recognizes that stronger forms of human solidarity are required at national and international level to address the equitable distribution of the benefits of globalization.

In all this, the Recommendation roots cooperatives in the wide framework of decent work and social development. In the operative text, the Recommendation

reflects the realities of the tripartite character of cooperatives, namely the needs of the members of cooperatives, the needs of workers in cooperatives and the needs of the cooperative enterprise. It does so in a balanced, comprehensive and appropriate manner.

It gives me pleasure, therefore, to record the support of the Workers' group for the conclusions reached by the Committee on the Promotion of Cooperatives.

I turn now to examine some of the key issues addressed in the text. The first feature is that the Recommendation provides values, ideals and standards for cooperatives and of cooperatives. The Recommendation is infused with ILO values. Decent work has become the defining framework for ILO activities, and through this instrument cooperatives are fully integrated in this framework. The Recommendation refers to the Declaration on Fundamental Principles and Rights at Work, the core ILO Conventions, and a range of other international labour standards; it provides for the fundamental international labour standards to be applicable to all workers in cooperatives without distinction whatsoever. In this way the instrument builds on the distinctive knowledge base and the expertise of the ILO in the areas of employment standards, industrial relations and social protection. It incorporates the comparative advantage that the ILO brings to the international policy framework on cooperatives.

The proposed instrument also reflects the values and principles on which the cooperative movement is founded, and which the ILO has now endorsed; these are the cooperative values of democracy, equality, self-help, self-responsibility, equity and solidarity, as well as the ethical values of honesty, openness, social responsibility and caring for others. The cooperative principles include, among others, member economic participation, democratic member control, autonomy and concern for community. These values and principles set the philosophical and moral tone for the instrument, and influence the substantive aspects of the proposed instrument. The Recommendation signals a deep commitment to the values of non-discrimination, and specifically call on member States to promote gender equality within cooperatives and in the work of cooperatives. This commitment is important, because in many countries women constitute a majority of workers in cooperatives.

The second feature is that the Recommendation promotes cooperatives as part of a distinctive and important sector of the modern economy. Cooperatives are a form of economic organization that explicitly promotes a range of public policies. The special and distinctive feature of cooperatives is that their overriding objective is not profit maximization or shareholder value. They place stakeholder value above all else. Their stated objectives include what economists would term "public goods" — namely employment promotion and community development. The Recommendation recognizes this, and calls on member States to provide special support measures enabling cooperatives, as enterprises and organizations inspired by solidarity, to respond to the needs of society, including disadvantaged groups in the regions, to achieve their social inclusion. Employment promotion is specifically identified as the key outcome of such support measures. Enterprises with these features as explicit objectives are often referred to as being part of the social economy or the social sector,

and are considered as being distinct and different from both the private and public sectors. This concept is clearly recognized in the text.

The Recommendation sets out a range of very practical support services that can help cooperatives. These include access to finance and investment, human resource development programmes, consultancy services on technology and innovation, accountancy and audit services, legal and taxation services, and management information services. It recognizes the need constantly to improve the level of productivity and competitiveness of cooperatives and the quality of goods and services they produce. It provides for measures to improve access to information and communication technologies.

In all this, the Recommendation lays the basis for a modern, dynamic cooperative movement, able to operate in the most advanced sectors of the economy. The Recommendation places emphasis on the supportive role that the State can play in promoting cooperatives. A number of measures of potential public support are set out, which could include tax benefits, loans, grants, access to public works programmes and special procurement provisions. These elements of state support are tied to the achievement of specified social and public policy outcomes. At the same time, the instrument recognizes the importance of autonomy for cooperatives, and state support is promoted, with due respect for the independence of cooperatives.

The third feature is that the Recommendation addresses key contemporary labour market challenges. The instrument gives guidance to cooperatives and governments in areas relating to the informal economy, disguised employment relationships, human resource development, and the concept of best practice labour relations.

The informal economy has been an important issue for the ILO for over 30 years. Recently, a consensus has started to emerge on what should be the policy framework for ILO work concerning the informal economy. At the International Labour Conference two years ago, a set of conclusions was adopted that defined the role of public policy towards the informal economy as being to transform what are often marginal survival activities into decent work, fully integrated into the mainstream formal economy. This year we are still in full consensus in the Committee, and are able to go one step further, namely to incorporate this concept into an ILO instrument. The text recognizes that member States should promote the important role of cooperatives in transforming informal sector work into legally protected work, fully integrated into mainstream economic life.

Cooperatives are in many cases enlightened in their employment policies, pioneering advanced forms of worker participation in economic decision-making and developing strong relations with trade unions. We are proud of this. This is recognized and further encouraged in the Recommendation through provisions that provide for measures to ensure that best labour practices are followed by cooperatives. Yet in the course of discussions in the Committee over the last two years, we have also heard of a number of cases where cooperatives are set up simply as a means to bypass employment standards and labour legislation. The Recommendation deals specifically with this phenomenon. It calls on member States to promote policies that will ensure that cooperatives are not estab-

lished or used for non-compliance with labour laws, or used to implement what the instrument calls “disguised employment relationships”. Following a request specifically made in the Committee by developing countries, the Recommendation calls on national policy to combat pseudo-cooperatives which violate workers’ rights, and to do so by ensuring that labour legislation is in fact applied in all enterprises. This clause was adopted with full consensus, underlying the wide support in the Committee for addressing this problem. Human resource development has become critical to both economic performance and social progress in the modern world. The Recommendation identifies a number of components to human resources development, and sets out a broad, rather than a narrow, remit to such policies. The text calls on member States to develop policies for technical and vocational skills, entrepreneurial and managerial abilities and general economic and social policy skills. These skills should be fostered among workers, members and managers of cooperatives. In addition, it calls for education and training in cooperative principles and practices within society in general and at all appropriate levels of the national education and training system.

The fourth feature is that the Recommendation recognizes the existence of an integrating world, and provides helpful guidance in this reality. The Recommendation does this by universalizing the instrument and by globalizing the cooperative concept. It is the first-ever truly universal instrument on cooperatives. The current instrument, [Recommendation No. 127](#), is confined to developing countries. The new instrument is universal in three senses of the word. It applies to all societies — developing, those in transition and developed.

It applies to all types of cooperatives and it applies to all workers in cooperatives. It is crucial in a world where economic borders are disappearing that the Recommendation reflects this reality. It calls for greater international cooperation and for the globalization of the cooperative concept. This includes, as appropriate, the development of common regional and international guidelines and of legislation on cooperatives, as well as a range of specific measures to foster greater contact and commercial relations between cooperatives in different parts of the world.

In conclusion, the Recommendation recognizes the important role that trade unions and employers’ organizations can play in encouraging and supporting the growth of cooperatives. A number of specific measures are set out, and trade unions look forward to a strong relationship with the cooperative movement and to mutual support and assistance.

We have supported these Conclusions because we believe that cooperatives are important to the global economy, both because of their size and because of their founding values. For the estimated 100 million workers employed worldwide by cooperatives, and for the 800 million fellow citizens of our common world who are members of cooperatives, this Recommendation is meaningful and well timed. The Recommendation is flexible and pragmatic. It recognizes the diversity of national experience, law and practice, yet sets achievable benchmarks of practice. It builds on the energy, the vigour and the vitality in the world of cooperatives, and can be a catalyst for significant and sustained growth in cooperatives. I urge you to support the Recommendation.

Original French: Mr. PLISZKIEWICZ (*Government adviser, Poland; Chairperson of the Committee on the Promotion of Cooperatives*) — Once more, Poland has enjoyed the honour of chairing the Committee responsible for preparing a proposed Recommendation on the promotion of cooperatives. I think this reflects the fact that Poland is a country which has a long-standing tradition of developing cooperatives. Also, it is a country in which tripartism is an important instrument for overcoming economic and social difficulties linked to the market economy, in order to build solid foundations for sustainable economic and social development.

For me, it was a great personal honour to accept this responsibility, although I realized my job would not be an easy one. But from the very beginning, I believed that the subject of our deliberations is very important if we wish to rise to the challenge of unemployment in many ILO member States.

Everyone is well aware that cooperatives are active in all sectors of the economy and cover a great variety of enterprises of different types, forms and sizes. It is clear that cooperatives are important for creating jobs in industrialized countries and developing countries alike. Cooperatives have shown their capacity to increase the economic power of individuals and to help them take advantage of economic opportunities. Our Committee sought to develop an instrument which reflects the needs of all member States and constituents of the ILO, as well as the needs expressed by all those working for the development of cooperatives.

Cooperatives are a very effective tool which enables individuals to come together to achieve common economic and social goals and attain the economies of scale necessary for success in a very competitive market. Thus, for instance, cooperatives often have a major role to play in facilitating access to markets and raw materials. Enterprise-supporting cooperatives can help small- and medium-sized enterprises pool their resources to purchase raw materials on better terms than those accessible to individual buyers.

Marketing cooperatives can enable small enterprises to attain economies of scale and improve their bargaining power. Without this advantage, it would be difficult for them to remain competitive.

In other circumstances, cooperative arrangements enable small economic players to collectively purchase and use costly equipment which they would not be able to afford on their own. In Germany, for instance, virtually all fiscal advisers are members of a cooperative which runs, on their behalf, very impressive computer equipment.

Moreover, cooperatives bring consumers together so that their needs can be met more effectively, for instance, through housing, consumer and savings and credit cooperatives. Cooperatives have also shown that they can help vulnerable and marginalized groups and this has been recognized by our Committee in its proposed Recommendation.

Our Committee accepted the broadly recognized definition of the term “cooperatives” and we also accepted the values and principles formulated by the international cooperative movement, and this would undoubtedly be very useful to member States as they work to promote the cooperative movement. The deliberations within our Committee have confirmed that a political, legal and institutional environment, which is conducive to the development of coopera-

tives, is very important, and they described precisely the key elements of such a favourable environment as well as how it can be achieved. Discussions also stressed the importance of support services for cooperatives and tripartite structures to further these ends.

I am happy to be able to tell you that the work of the Committee proceeded in a very satisfactory manner, and now we are able to submit this report, which shows the fruitful nature of our deliberations and the consensus we achieved. I am happy to note that the report and the proposed instrument reflect the constructive environment in which our discussions took place.

As far as I am concerned, there is no doubt that the new instrument will provide member States with very valuable advice so that they can better meet the challenge of full employment through the promotion of cooperative enterprises. The work of the Committee was so successful because of the high professional standard and great willingness to cooperate which all parties showed throughout our work.

I would now like to express my heartfelt thanks to all those who, in their many ways, contributed to the success of our work. Particularly, I should like to thank the two Vice-Chairpersons, Mr. Ancheta Tan from the Employers' group, and Mr. Ebrahim Patel from the Workers' group. Both of them helped me a great deal to give advice to the Committee, whilst maintaining the high standard of the discussions, and creating a climate of dialogue, consensus and good humour which made our work so much easier. I was greatly struck by their marvellous personalities which went hand in hand with their great knowledge of the subject in question, and this helped us during the few difficult moments we experienced in our negotiations.

I would also like to thank the Worker and Employer members of the Drafting Committee. It is above all thanks to Ms. Tuuli Raivio from Finland that we were able to adopt, in a very short period of time, a report which is bursting with valid ideas and suggestions and which will, I am sure, be very useful for future deliberations on this subject. I would also like to thank Mr. Jean Wolas from France and Mr. Lynden Hillier from Canada who represented the Governments in the Drafting Committee. I greatly appreciated the unreserved support of the Government representatives in my work for the Committee and I am particularly grateful to the Government group and their very competent spokespersons who very often made invaluable contributions by proposing formulations on key points which were acceptable to all parties concerned. So, I am grateful, in other words, to all the members of the Committee present in this room and, in my opinion, each and every one of them has contributed to the final result. Thank you so very much. I would also like to thank Mr. Michael Henriques, the head of the Job Creation and Enterprise Development Department of the ILO, and his team for the very professional document they prepared; it was very useful to us. And I would also like to say thank you for the excellent technical and administrative support throughout our discussions and work. I would also like to thank Mr. Jürgen Schwettmann, from the same Department, and his team, which looked after the preparation of the documents and the updating of the proposed Recommendation. Since the content of the documents adopted by the Committee have already been presented by the

Reporter and the two Vice-Chairpersons of our Committee, I should like, in conclusion, to recommend that you adopt the documents submitted by the Committee on the Promotion of Cooperatives.

Original French: The PRESIDENT — The general discussion on the report of the Committee on the Promotion of Cooperatives is now open.

Mr. ABDALLAH (*Government adviser, Nigeria*) — I would like to seize this opportunity to thank you very much for the cooperation given during the processes that led to us agreeing to the proposed text. I have no doubt in my mind that by coming to this important Conference two things are clear; on the one hand, Workers and Employers are always collaborating with each other to make a consensus. These two weeks that we have spent here have confirmed to all of us, the African Government members, the role of government in cooperatives and cooperative development. We have realized that once the workers and the employers agree, the purpose of government has been achieved. We must create an environment for growth and development of their activities. I have no doubt in my mind, and I am expressing the feelings of the governments of Africa on this, that a favourable environment is always important for the respective governments, workers and employers to operate within the framework of cooperatives. The new Recommendation has gone a long way now in making cooperatives universal, indeed it has a universal character. We have already resolved within our own system of the meeting that when we go back to our respective countries we shall reflect and convince our Governments to make the appropriate legislation to contain the provisions of the new text in order to move forward in cooperatives with the spirit of tripartism: worker members, the employers, the government in favour of cooperatives.

I would like to seize the opportunity, on behalf of the Government delegates of Africa, to thank the ILO for the opportunity given us not only to work together but to collaborate and understand each other in the spirit of give and take. During our time here we have both discussed and at the same time settled our differences amicably and this has gone a long way in producing this proposed universal Recommendation that we recommend the Conference adopt tomorrow. We have gone a long way. We must also remember that the new text coincides with the proposed line of action of Yaoundé to transform African countries into modern, tripartite countries, working together and reaching agreement together in the spirit of cooperation within the framework of the principle of cooperatives. That is the idea of “all for one and one for all”. We shall go a long way to go back to our countries to really see that the Recommendation is truly backed by appropriate laws relating to the worker members to promote the cooperative movement. I hope tomorrow we will be able to adopt this text which is universally acceptable and officially carrying our view of developing our countries through cooperatives and cooperation.

Ms. KATONYALA (*Workers' adviser, Namibia*) — I would like to speak in support of this instrument which focuses on cooperatives and the advantages they offer to trade union members in developing countries. It is very important for workers' organiz-

ations to establish their own cooperatives as a way of improving the situation for their members. Cooperatives can serve as an attraction and encourage more workers to join workers' organizations. In Namibia, as workers we believe that there should be one trade union for each sector of industry. Workers' cooperatives can therefore be used to encourage unity among workers in an industry as the cooperative principles encourage active cooperation.

A cooperative offers great benefits, and improves and promotes the economic and social interests of the members of workers' organizations who are also cooperative members by providing effective services.

Workers' cooperatives enable workers in developing countries to participate in the overall economic and social development of nations while at the same time improving the living standards of their members.

It is my firm belief that, once adopted, this instrument will serve as a vital tool for the reduction of poverty in developing countries. Thus, in conclusion, I would like to thank all members of the Committee for their efforts in drafting this instrument and. I strongly plead for its adoption.

Ms. ANDREW (*Employers' adviser, Canada*) — One year ago, I was privileged, as a representative of the Canadian employers, to speak at this plenary and reflect upon what had been accomplished during the first discussion of the Committee on the Promotion of Cooperatives.

I spoke of several areas of serious concern for employers, especially the excessive prominence of labour standards and workers' rights in the document, to the point where these subjects overshadowed the main objective — the promotion of cooperatives; the inclusion of the phrase decent work, in apparent tribute to the Director-General's leadership theme, without this concept being defined for such practical purposes as the text of an instrument; the recurring references to special treatment and assistance for the cooperative form of enterprise, regardless of the cooperative's size, its objectives, or activities. This is an unfair departure from the concept of the level playing field.

The Employers' task for this June 2002 session of the Conference was to rectify these serious shortcomings in the proposed Recommendation, so that we could join with the tripartite Committee and wholeheartedly endorse the new Recommendation on its merits.

We entered into this 2002 round of discussions aiming for modifications relating to four key objectives: to streamline the Preamble and its needless references to every conceivable prior ILO Convention and Recommendation, regardless of their relevance to cooperatives; to delete the references to decent work, an undefined eye-of-the-beholder concept, with a rather unfortunate corollary in any language; to insert language safeguarding the level playing field for all forms of business organization, and ensuring that cooperatives are treated on a basis comparable or equivalent to other economic players; and overall to place more focus on the promotion of cooperatives through a flexible universal instrument that will encourage appropriate decision-making in developing, transitional and developed countries.

I regret that, despite determined efforts, we were not entirely successful in improving the instrument.

Instead of reducing the numerous references in the Preamble to prior instruments dealing with labour

standards and workers' rights, a long debate resulted in the addition of three more such references. Seeing the mood of the house, especially of our Worker counterparts and some of the governments, our amendments concerning the deletion of decent work/employment were withdrawn.

We also did not disabuse our Worker counterparts and many governments of the notion that all cooperatives are fledgling, socially motivated organizations. This resulted in inferior wording in our proposed Recommendation, hinting that cooperatives form part of a single social sector or social economy.

The serious divide between governments in developing countries and those in developed countries concerning the level playing field issue was not bridged by our proposal to link support and assistance to activities on social or public policy objectives, rather than simply to the cooperative form of organization. This solution would have disintituled large, powerful, commercial cooperatives to any government assistance meant for the struggling ones engaged in helping people to achieve economic and social improvement.

The Committee finally settled on the words "in accordance with national law and practice", essentially leaving each country to its own devices on the fair treatment front. Every nation and tripartite group saw this as a solution we could live with.

It is truly unfortunate that developed nations such as mine, which have enjoyed a strong, positive experience with cooperatives, were not able to impart much in the way of guidance for others in this instrument. One important word of warning I would have wished to convey is the need for conditions favourable to balanced development, including of the small and medium-sized business sector, which is also an important tool for growing economies and for job creation for citizens. An uninformed reader of our proposed Recommendation would think that the first task in launching a cooperative is to call in the union, and the second one is to call for special government support.

If compromising in discussion with the tripartite partners is considered positive at the ILO, our Committee work was positive indeed. Overall, the proposed Recommendation concerning the promotion of cooperatives is the best we could achieve under the circumstances.

May I take this opportunity to thank all of those involved for their contributions, and in this I must give special mention to our Chairperson, Mr. Marek Pliszkiwicz, and our Employer Vice-Chairperson, Mr. Ancheta Tan, for their grace and humour throughout our rather protracted discussions.

Mr. POOLE (*Workers' adviser, United Kingdom*) — It gives me great pleasure to speak in support of the proposed Recommendation concerning the promotion of cooperatives.

It was over 150 years ago that a small group of pioneers in Rochdale, England, gathered together and created the first cooperative. From those small beginnings came an international movement that traverses the whole world and that now has tens of millions of members, customers and workers.

From its earliest days, the cooperative movement has had close ties with the trade union movement, and we both share the ideas of solidarity, so badly needed in this new world of ours.

The proposed Recommendation before us today not only updates the Recommendation it supersedes, it also prepares members of cooperatives to take the next steps in this new century to ensure that the movement is equipped to deal with the problems of globalization and to take advantage of its opportunities.

As trade unionists, we have always recognized that the cooperative movement is a part of the social sector, the social economy, as it is described in my country. The proposed Recommendation recognizes this in Paragraph 4(h) and Paragraph 6. Indeed, it is not only the trade unions in the United Kingdom who believe this; that belief is shared by the British Government, who have set up a unit in the Department of Trade and Industry to promote the social economy in the United Kingdom.

We all agree in the United Kingdom that the cooperative movement is the largest part of the social economy in our country. In this interdependent world, the creation of more cooperatives, based on the principle of solidarity, is crucial to the well-being of the world's people. This is as true of the developing world as it is of the industrialized nations. The beauty of this proposed Recommendation is its flexibility. It will allow all governments to introduce it, taking account of their own laws, practices and procedures. It will be acceptable to the cooperative movement because of its insistence on maintaining the cooperative's views on good labour standards and the concepts of decent work. This is very much in line with the views of those original pioneers in Rochdale. I believe they would have been proud of our achievements here.

During our discussions there were, of course, some disagreements about what should go into the proposed Recommendation and how it should be put. I think it is a tribute to our Chairperson that those differences were always conducted in a civilized manner and with good humour.

Our Chairperson's morning jokes, as well as his singing, are now legendary. I believe they should become compulsory for future Chairpersons.

The Employers are to be congratulated for the spirit in which they came to the discussion and the Governments for enabling us to see our way through the most difficult parts. It is only now, however, that the real work begins.

The trade unions, I am sure, are ready to take their responsibility to help the creation of new cooperatives and to call on governments to turn this excellent proposed Recommendation into practical work on the ground, to help create new and sustainable jobs and to bring the benefits of economic activity to all the world's people.

You will forgive me if I remind the Conference that England won their last match 3-0. I believe that as a result of this proposed Recommendation, the people in the developing world and in the industrialized world have in their hands a victory that far surpasses that of even the English football team.

As I look for further progress by my football team, I look for even greater progress and development of the international cooperative movement as a result of this proposed Recommendation.

Original French: Ms. DIALLO (Workers' delegate, Guinea) — Thank you for giving me the floor on this solemn occasion. I wish to speak in support of the instrument regarding the promotion of cooperatives.

Firstly, I am pleased to say that the tripartite Committee on the Promotion of Cooperatives has again this year, more than last year, demonstrated effectiveness and competence by delivering an instrument full of good sense for the promotion and management of cooperatives which today constitute an ideal opportunity for decent work and for gender equality.

The Committee showed a lot of creativity by demonstrating that in our globalized world we must all act with solidarity. In a very good atmosphere, the tripartite group worked with much wisdom and good sense in a spirit of positive dialogue. The assistance provided by Governments was most welcome and the Employers also showed that they came in a spirit of goodwill. The group proved that a tripartite group is able to get together and be effective and find solutions on the basis of consensus.

We, the Workers, think that this instrument is well-defined, it is full of vitality in accordance with the wishes of all to have decent work.

The promotion of cooperatives in our Third World countries is something of great value because it means the creation of jobs and wealth and it will thus help to ensure a healthy environment, a less discriminatory economy and a more democratic world. An important role for cooperatives is to combat poverty.

We welcome this instrument on the promotion of cooperatives because women have a role to play. With structural adjustment women were the first victims, women lost more jobs than men, but they have shown energy and courage and have come together in support of a common ideal to strengthen their solidarity. This instrument therefore comes at the right time. It will include women, and enable them to participate positively. It will make it possible for women no longer to be used just for production, but also to shoulder their responsibilities in cooperatives.

This instrument, which is not in competition with existing enterprises, will also help to resolve the problem of unemployed young people, it will certainly help us to avoid social tensions and delinquency and it will promote social dialogue.

I would not miss this chance to congratulate the Chairperson of the Committee and the two Vice-Chairpersons — for the Workers and the Employers — for their commitment, for their willingness and for their patience during the discussions, and for the excellent results achieved.

Mr. ERIXON (*Employers' delegate, Sweden*) — I would like to begin by paraphrasing the distinguished Workers' delegate from the United Kingdom by going back in time.

One hundred and fifty years ago, Sweden was one of the poorest countries in Europe. In the 1860s we had famine for three consecutive years. Before the outbreak of the First World War a quarter of the population had emigrated to the United States.

At the middle of the nineteenth century, a number of institutional changes were being implemented in the political and economic spheres of society. Parliamentary rule and municipal self-determination were beginning to get accepted, as well as the concepts of the market economy and free trade.

These institutional changes made it possible to take advantage of the great wave of industrialization then beginning to sweep across Europe. Thus, in the period between 1870 and 1970, Sweden enjoyed an economic

growth rate almost unique in the world, paralleled only by that of Japan.

The key words in this process were a free market economy, free trade and deregulation. Cooperatives played a part in this development, albeit a limited one. They were neither the sole players nor the prime movers. In general, they were receiving the same treatment as other forms of enterprise. This policy has, with some exceptions, been pursued until the present day.

However, for the members, the cooperatives were, in many instances, an integral part of their economic and social development. This example serves to emphasize the importance of respecting the autonomous nature of cooperatives in not trying to make them serve ulterior purposes.

It is understandable, though, that many countries wish to emulate the economic progress of the more developed parts of the world. This is imperative if hunger and want are to be dispensed with. The European employers fully understand that this is the overriding objective for many governments.

This new Recommendation for the promotion of cooperatives has emerged as the result of difficult deliberations. In the nature of a compromise document it is far from perfect, whatever your standpoint might be.

From the Employers' perspective, it has an unwarranted slant towards two interests. First, that of the governments which once again are seeking to use cooperatives for purposes other than those that are primary to the members of cooperatives. Secondly, that of the workers, who are placing more emphasis on their own rights and labour standards than on the issue at hand.

Furthermore, the general tendency of wishing to confer preferential treatment on cooperatives is a remaining concern. The Recommendation is not a general remedy for unemployment and unsatisfactory social conditions, as one might be led to believe on reading it.

Other forms of business enterprise and social organization also contribute towards making the world a better place, perhaps considerably more so than do cooperatives. Nevertheless, the Recommendation could be put to practical and fruitful uses. The Employers sometimes felt overstretched in accepting some of its provisions. However, some accommodations were made to employer concerns which were of vital importance, especially from a European perspective.

Therefore, we sincerely hope that the Recommendation will be implemented judiciously and that it will contribute effectively to the amelioration of economic and social conditions in many parts of the world.

Let me thank all those participating in our work, particularly the Chairperson and the two Vice-Chairpersons, for their efforts in guiding the Committee to a successful conclusion.

Ms. KOFIE (*Workers' adviser, Ghana*) — I am grateful for this opportunity to make a statement with regard to the report of the Committee on the Promotion of Cooperatives.

The report before this august gathering is a result of careful, painstaking and well thought-out deliberations which I believe all the tripartite parties of the ILO family in our respective countries should be able to live with. But, beyond that, it should be possible for

all the parties to encourage and offer the support necessary, through the promotion of cooperatives which, in turn, should respond to the challenges of unemployment and underemployment, particularly in the developing countries, that are overwhelmed by the problems faced by youth entering the job market annually.

Cooperatives, as a concept, have a lot of merits. They are capable of impacting positively on the lives of their members, when management applies democratic practices and the members live up to their responsibilities. There is ample evidence that if operating according to established principles, cooperatives have transformed the lives of many people who were poor, voiceless and excluded by society through no fault of their own, to dignified and respectable lives. Indeed, they have significantly transformed societies as well.

I appeal to all to see the instrument before us as a document of hope for the marginalized in our societies. From a global perspective, it presents hope for the future of many of our countries which have not yet experienced the benefits of globalization.

The instrument may experience some initial difficulties. The ILO should be able to provide the necessary support for the realization of the vision of decent jobs for the majority of our peoples. This is achievable through education and training programmes and also provision of the relevant skills needed. Given the richness of this document, it is imperative that governments give priority attention to its implementation, through putting in place appropriate legislation and policy measures and providing the resources that will facilitate effective implementation. Coupled with that, consciousness-raising campaigns and programmes should be vigorously pursued to get people interested in cooperatives. This is where trade unions should use their experience in formulating strategies for the success of campaigns to promote the growth of different types of cooperatives in unity and solidarity. I believe all who are interested in the progress and development of people and in wealth creation certainly want to see an eradication of misery, and one of the surest ways of achieving this goal is the provision of support for individuals who have voluntarily accepted to join together in cooperatives in the hope of improving their lot, economically and socially.

This instrument, a very important and crucial one in the crusade for sustainable employment creation, is undoubtedly in consonance with the principles of decent work, including social security. It should therefore receive the support of all because it provides a bridge leading to improved conditions of life, thus securing equity and social justice for the unprotected of our societies. Finally, we have both a duty and a responsibility to ensure that the instrument is adopted and implemented in our countries, as our contribution towards building a life of prosperity and advancement for our people and our nations.

Original French: Mr. TRICOCHÉ (Workers' adviser, France) — The Committee on the Promotion of Cooperatives has adopted an instrument that has universal scope; the diversity of measures that it contains and flexibility will make it possible to develop this special type of enterprise, that is, cooperatives, throughout both developing and industrialized countries.

The quality of the instrument adopted is the result of the vigour of tripartism, which is particular to the

ILO. It has been necessary to find a fair balance between the role of private commercial enterprises and that of cooperative enterprises, the role of social partners and that of governments in the sectors concerning social activities. From all of this it has been necessary to find a consensus. This consensus is seen in the proposed Recommendation and it gives it additional authority, given the fact that it will be applicable across all countries of the world.

Based on the vitality of cooperatives, whose activities are recognized throughout the economic sector, the proposed Recommendation suggests specific measures that governments should take to promote the activity of cooperatives in sectors where market economy companies are not well developed, and to encourage the insertion of workers in society.

The proposed Recommendation is also aimed at promoting competition between and among cooperatives through training activities and the development of the skills of their members and also by investing in human resources and by disseminating principles which form the basis of cooperatives in society. These principles, referred to in the proposed Recommendation bring equality, solidarity and mutual support, as well as an enterprise spirit, better governance and collective bargaining.

I would like to emphasize two points that I feel are particularly important as regards the role of this proposed Recommendation. Cooperatives should contribute to the development of the social economy, promoting the creation of decent jobs. The proposed Recommendation, following the framework of the ILO Declaration on Fundamental Principles and Rights at Work, makes a positive contribution to the social aspects of globalization and the efforts made by the ILO in this area. The text of the proposed Recommendation recognizes that economic and social balance in society can only be achieved if there are three strong sectors: the private, the public and a sector that we will call the social economy, in which cooperatives play an important role, and in which other non-governmental forms of partnership, such as mutual societies, are also found.

Therefore, cooperatives will contribute to the development of all of these activities in these two sectors, and governments will have their part to play, avoiding the phenomenon of substitution.

Very briefly, I would like to base myself on the arguments that have been referred to and encourage the Members of this noble assembly to support this proposed Recommendation. Its universal scope has been referred to by many speakers on a number of occasions. I would also like to acknowledge the competency and the professionalism shown by the members of the Committee in the development of this instrument, specifically our Chairperson and our Vice-Chairpersons from the Employers' and Workers' groups and, in particular, Mr. Patel.

Mr. ROELANTS (*Employers' adviser and substitute delegate, Italy*) — First of all, on behalf of the three Italian cooperative confederations I represent in the Employers' group, I wish to thank the various parties that made this Recommendation possible.

First, the ILO Governing Body, which had the necessary vision to put this item on the agenda. Second, the ILO Office, and more specifically its Cooperative Branch, for the enormous amount of work it has done

over the last two and a half years in preparing this instrument.

Third, the various Government, Employers' and Workers' representatives that worked in the Committee for two two-week sessions, and more specifically the Chairperson, Mr. Pliszkiewicz, the two Vice-Chairpersons, Mr. Tan (Employers) and Mr. Patel (Workers), and the Reporter, Ms. Raivio.

I also wish to thank the countries that made it possible for representatives from cooperative organizations to be officially accredited, and thus to be an integral part of each of the three groups — for example, Italy, Germany, Egypt and Slovakia in the Employers' group; Japan in the Workers' group; Costa Rica, Poland, Kenya and Israel in the Government group.

I think this was a very important factor in the success of the discussion. Indeed, we were able to convey the points of view of the cooperative world as a whole, which represents 800 million people, after having engaged in a world-level consultation that lasted 12 months during which cooperative organizations from over 50 countries provided direct input.

The Recommendation as it is drafted is not ideal. Still, I think it can be very useful. First, the Recommendation affirms for the first time at the world level that cooperatives are indeed enterprises. They are autonomous enterprises and they are active in all sectors of the economy. Moreover, at a time when the establishment of world standards in all domains is becoming a central issue, the Recommendation sets specific entrepreneurial standards for cooperatives. It is very important that the standards on the cooperative identity that the three groups in the Committee have agreed upon are identical to those that the cooperative movement itself established internally seven years ago after a very long democratic debate.

The concurrence between inter-state standards on cooperatives and internal ones is very important for two reasons. First, because cooperative actors will identify with them, and second, because consensus on policies promoting cooperatives will be more easily reached among governments, employers and trade unions together with cooperative organizations.

Indeed, this Recommendation is not only about the identity of cooperatives, but also about their promotion. Mr. Ivano Barberini, President of the International Cooperative Alliance, underlined it at a briefing at the beginning of this session of the Conference. He said, "We are asking no privileges." As the Recommendation also points out, cooperatives produce social benefits by virtue of their very nature, functions and objectives. This is what justifies specific promotion policies, for cooperatives embody a distinctive type of entrepreneurship.

This Recommendation will surely have a rapid impact at various levels. In fact, it has already had an effect: on 3 June, because the day this session of the ILO Conference started, the European Union approved the European Cooperative Society Statute after ten years of discussion. In addition, the European Commission had carefully studied the ILO draft Recommendation before releasing its own draft document *Cooperatives in Enterprise Europe* in November last year.

At a time when the biggest enterprises are merging and creating alliances in order to enlarge the scope of their business in the face of global competition, cooperatives are very important indeed because they enable ordinary citizens to expand business volume

by pooling resources, knowledge and information. Their competence in doing so comes from more than a century of experience.

At present, cooperatives directly employ 100 million people, and many more indirectly. They also provide such things as housing, schools, health, social services, the integration of disadvantaged citizens into the economic mainstream, and the revival of enterprises in crisis. They can unite decent work; transparent, responsible and democratic management; efficient entrepreneurial development in the local economy; sustainable employment; and social cohesion.

The United Nations estimated in 1994 that the livelihoods of nearly 3 billion people, or half the world's population, were made secure by cooperative enterprises. Probably nobody has ever ventured to calculate the consequences if cooperatives suddenly vanished. What would be the cost to governments and societies as a whole? Who would benefit? No one, probably.

By promoting cooperatives, this instrument can clearly produce a "win-win" situation: a balanced society in which every person has an important role to play.

Mr. WOJCIK (*Workers' delegate, Poland*) — The Committee on the Promotion of Cooperatives spent over two weeks working hard to finalize the conclusions and the draft Recommendation concerning the promotion of cooperatives. In my opinion, the result of common efforts is very useful and satisfactory. I do not intend to discuss the document in detail but I would like to draw our attention to one point and, that is, the importance of the proposed Recommendation for disabled persons.

The ILO document *Employment prospects for disabled people in transition countries*, noted that because of the long tradition of cooperatives and the fact that they represent a viable form of business, we should increase our focus on this form of enterprise.

One particular form of sheltered enterprise deserves separate mention: the integrated cooperative developed in Italy way back in 1974. These are essentially enterprises run on cooperative principles in which disabled persons, particularly former psychiatric patients, can participate. They demonstrate that disabled and socially disadvantaged people can be reliable, productive and disciplined workers who can be integrated into the cooperative and become fully self-reliant. Such cooperatives are intended to be productive marketing enterprises and aim to increase the autonomy and responsibility of the disabled workforce. Two types of cooperative have emerged, one of which is primarily a means of improving vocational skills, the other being an integrated cooperative providing regular full-time employment. Other cooperatives are mixed, some have collapsed, some have survived and some have become self-financing.

Three Paragraphs of the Recommendation are of special importance for disabled persons, namely 5, 7(2) and 10 and this in itself is reason enough to make me vote for the Recommendation and I appeal to all delegates to do the same.

Finally, I would like to express my deepest appreciation to Mr. Pliszkiewicz, the Chairperson of the Committee and both Vice-Chairpersons for the excellent work they have done.

Original Spanish: Mr. ZAPIRAIN (*Workers' delegate, Uruguay*) — We have before us the report and

the text proposed in the Committee on the Promotion of Cooperatives. We would urge its approval in this Conference as it is a useful and very important instrument for the development of cooperatives throughout the world. The proposed text has three virtues which makes it easy to adopt. First of all, it is a balanced instrument which recognizes the diversity of this very rich sector of the economy, but basically it is the product of a consensus achieved after a very fruitful discussion.

Secondly, it is a text setting out guidelines and principles that member States must use as a basis for adopting promotion measures, and it is also pragmatic because it recognizes the diversity of the cooperative phenomenon and national realities.

The third and last point is that it is a standard-setting instrument through which governments can promote common structures in their economies.

Lastly, this instrument will make it possible to strengthen a very important sector of the economy and also to promote the creation of decent and worthy jobs. It also recognizes the basic rights of work which are enshrined in ILO Conventions.

In conclusion, you have here a text and the arguments which have been given this morning. It is up to you to think and to adopt the decision in accordance with your conscience, your reasoning and your mandates and on the grounds which you feel to be the most appropriate. We hope that you will support the text as submitted here to the plenary. Therefore, we would urge you to adopt the Recommendation on the promotion of cooperatives, the draft of which is before you this morning.

Mr. AMPIAH (*Employers' delegate, Ghana*) — On behalf of the Employers' delegates of the Committee on the Promotion of Cooperatives, I have the honour to share a few thoughts with you on the proposed Recommendation concerning the promotion of cooperatives.

The proposed Recommendation as presented today is the result of many days of debate aimed at crafting an internationally acceptable document whose viability can only be tested by the mighty hand of time. The journey thus far has not been easy, but in the spirit of mutual respect, trust and maturity, the social partners within the group, through give and take and the willingness to reshape their basic principles in the spirit of progress, have provided us with a document which will give us some guidelines on the promotion of cooperatives in our various countries.

The Employers' position on a "level playing field for enterprises", which is the basis for sustainable enterprise development, had to be compromised with the phrase "in accordance with national law and practice". While this phrase seems to be so acceptable to Governments and Workers, I wish to issue a word of caution that over-reliance on it could spell the doom of cooperatives themselves and could lead to the destruction of the enterprise spirit most African nations have struggled so hard to establish. We should note that the markets of the world only buy from those enterprises that are competitive and can produce products of good quality at excellent prices. There will be no preferential treatment on free markets for enterprises which see themselves as special. They will have no option but to carry their goods and services home and die with them.

For us, as employers of Africa, our mission of promotion of cooperatives will have been achieved only when we see them standing on their own in the markets and delivering goods and services that can stand the test of free markets at home and worldwide.

It is only then that we will be convinced that the potential of cooperatives will have been fully exploited for the development of our national economies. It is only then that we will be confident that another economic pillar for delivering our people from poverty has been erected. It is only then that we will have the hope that the workers within the cooperatives will have secured employment. These landmarks will not come about if we button cooperatives up in the protective jacket of their being "different from other enterprises" because they are cooperatives, and therefore demand breastfeeding treatment. Indeed, they should be weaned from their mothers' breasts. There is no doubt that cooperatives have a big role to play in Africa's effort to ensure sustainable economic growth and development. This role is even more pressing as it is common knowledge that Africa's economic development is confronted with high unemployment rates which continue to bury our people under poverty, dwindling and woefully inadequate levels of foreign direct investment flows and the growing trend of a continuously expanding informal sector, which is becoming chronic.

Cooperatives have the potential to move informal investment capital into the formal sector. They can also be the basis for identifying the entrepreneurial potential of our people, and also developing the spirit of teamwork and joint ownership which is required so much in enterprise development in Africa.

To reach our goal of promoting cooperatives, we should remember that governments, cooperative members, workers and all stakeholders should appreciate that their commitment should primarily be that of the corporate interests, and not their individual rights. Rights can be fully enjoyed best when the boat is in stable waters.

Finally, let me state that this Recommendation is not an end in itself. The identified expectations will be realized only when we exhibit the spirit of togetherness, dedication and commitment at the implementation stage. This should not be one of the many magic wands for Africa's development which have been locked up in drawers in offices waiting to see the light of day. It is in this light that we recommend to this assembly the adoption of this report as a document which can give hope to the many people of the world who aim to generate wealth and brave the storm of poverty.

Mr. PHADU (*Workers' adviser and substitute delegate, South Africa*) — On behalf of the Conference of South African Trade Unions and other workers' organizations in South Africa, I take pleasure in taking the floor at this 90th Session of the International Labour Conference.

First and foremost, I would like to commend the work done by the ILO under the able leadership of the Director-General, Mr. Juan Somavia, in its effort to ensure decent work for all.

These efforts are now strengthened by the Recommendation before this session on the promotion of cooperatives. In support of the conclusions of the Committee on the Promotion of Cooperatives, I would like to make the following observations. Co-

operatives have a unique role to play in overcoming the problems of social and economic exclusion of the majority of the world's population. Cooperatives emerged in the early period of very chaotic industrial capitalism as a response to the brutal exploitation of the working class, and to provide protection of their members from the harsh realities of the market.

For many generations cooperatives have met the basic needs of their members, such as access to quality food at reasonable prices, access to decent housing and decent employment. The Recommendation recognizes that such efforts can only be sustainable and effective if they are enforced by supportive and legal measures of governments. Such measures should recognize the special features of cooperatives, which are different from conventional business companies. However, we all agree that cooperatives are not necessarily a panacea for tackling all basic social problems. As the Recommendation recognizes, a balanced society requires not only a strong cooperative sector or movement. It also requires a strong public sector and other sectors.

In South Africa, the Government, the cooperative movement and the trade union movement are committed to fostering cooperative development in historically and economically excluded communities. This instrument is extremely useful for pursuing a national supportive framework for the development of cooperatives.

Let me finally touch upon the values and the principles of the cooperative movement, which the trade union movement equally shares. The values of solidarity, equality, the principles of open and voluntary membership, of democratic member control, autonomy and independence and concern for community are principles and values that are equally shared by the working class and are counter-opposed to those values and principles of greed, self-interest and individualism that current globalization promotes.

In South Africa, the trade union movement will play an active role in developing joint strategies with the cooperative movement in the provision of services, on a cooperative basis, to its members, and in response to some of the negative effects of globalization.

I wish to commend the conduct of the tripartite Committee by the Chairperson and the two Vice-Chairpersons and the successful conclusions of the Committee. I especially wish to commend the Worker Vice-Chairperson, Mr. Ebrahim Patel, for the exceptional role he played in seeking consensus in the Committee. I therefore recommend the adoption of this instrument.

Original French: Mr. ATTIGBE (Workers' delegate, Benin) — I am very happy to take the floor at this august assembly to congratulate the members of the tripartite Committee on the excellent atmosphere in which the work took place. I am also particularly happy to congratulate the Chairperson and Vice-Chairpersons for their spirit of willingness and compromise which enabled us to reach consensus. Our wish is that this beautiful example of partnership can go beyond the walls of the ILO and be taken up in our countries as well.

As you are no doubt aware, globalization, this new invention, which was at the outset presented as a panacea, has fallen far short of our expectations and

the gap is growing between the rich and the poor countries. Democracy, internal dialogue and good governance are jeopardized in many countries. Therefore, the initiative of the ILO Governing Body to submit a Recommendation concerning the promotion of cooperatives to the Conference constitutes the first step towards finding solutions to the problems of hundreds of millions of men, women and children who are struggling for their very survival from day to day. This instrument meets the concerns of developing, developed and transitional countries — namely democracy, human dignity, personal responsibility, mutual assistance, equality, fairness and transparency, to name but a few.

This Recommendation also meets one of the objectives of globalization, that is, to pool efforts and resources to meet the needs of the whole international community. Therefore, I should like to say that this instrument offers us a great new opportunity and we must ensure that it does not suffer the same fate as many previous instruments.

The ILO, together with other international agencies, must ensure dissemination of this instrument so that everyone knows about it, and the same applies to us, the tripartite partners.

On that note, I should like to conclude my statement and I should like to appeal for an overwhelming vote in favour of the adoption of this instrument by our Conference.

Mr. HOWARD (*Employers' delegate, United States*) — On behalf of the employers of the United States, I would like to comment on the work of the Committee on the Promotion of Cooperatives. The work of all the Committee participants resulted in the production of a document that, to quote Mr. Tan, "is one we can all live with".

The ILO operates on strong principles such as tripartite dialogue, democracy, transparency and balance. Those principles have served it and its constituency well for over 80 years. The US business community also holds to strong principles and it is with these in mind that I comment on the final product of the Recommendation on cooperatives.

In particular, I will direct my remarks to the following points that, while discussed during the Committee's deliberations, were either ignored or watered down in the final draft of the Recommendation. The first is that cooperatives are enterprises that, in order to survive, must be led by people who have the creative and entrepreneurial talent to ensure that they become sustainable in order to benefit not only their members, but their workers and the greater society. While there was a passing reference to entrepreneurial skills, the focus tended to be more on the social obligations of cooperatives through the provision of employment, decent work, and the adoption of workers' rights. Now, all of us can agree that these are fundamental to an enterprise, but at the end of the day if the cooperative, or any other enterprise, fails, none of those objectives will be achieved. We believe that there could have been more balance between the business objectives of cooperatives, and its obligation to provide jobs and lift up the disadvantaged of society.

The second point is that a Recommendation should be designed as a document that will provide broad general guidance to those who will benefit from it, and not become a detailed prescription of how to do

everything from financing credit and market penetration to social mandates and workers' rights. This is in evidence by the multitude of ILO Conventions that have been enacted over a period of 70 years, all listed in the Preamble of the Recommendation. We believe this repetition is unnecessary and, over time, will become cumbersome to future documents.

The ILO Declaration on Fundamental Principles and Rights at Work should be sufficient, and any further references may be confusing, and also redundant to one not familiar with the ILO.

Our third point is a critical one, in our mind, and that is the issue of freedom of association and the right for workers to organize. We believe strongly in these principles, but we also believe that implicit in these principles is the freedom of choice, a fundamental principle of democracy. In other words, workers have a choice as to whether they wish to belong to a labour organization, and in that choice they can either choose to belong, or not to belong. The Recommendation on cooperatives falls short of achieving balance for the vast majority of US employers when it includes language in section 4, Paragraph 16(a), that states — and I quote — “Workers’ organizations should be encouraged to advise and assist workers in cooperatives to join workers’ organizations.” There is no reference to the fact that under the ILO freedom of association principle there is an implication of choice.

The fourth point is our belief that the inclusion of an NGO document as an annex to the Recommendation is unnecessary, and potentially establishes a precedent which could impact the tripartite character of this house.

Finally, we do not support the inclusion of the term “social audit” in the document, since it is a term without definition, and certainly not a universally understood term. It is this absence of balance in the document that troubles us, and makes us less than fully enthusiastic in our support of the Recommendation on the promotion of cooperatives.

Mr. RAMAN (*Workers’ adviser and substitute delegate, India*) — Coming from India, and representing the workers on the Committee on the Promotion of Cooperatives, I avail myself of the honour of addressing this august assembly to make a brief intervention in support of the proposed Recommendation.

Attempting to speak about the cooperative movement before this enlightened gathering would be like carrying coals to Newcastle or, should I say, selling chocolates to Geneva. I therefore restrict myself strictly to the job entrusted to, and executed by, our Committee.

Four weeks of tripartite discussions within our Committee on the Promotion of Cooperatives, spread over the past two years, has churned out the progressive text that is before you. The text recognizes the contemporary complexities of public and private sectors, asserts the autonomy of cooperatives, identifies the cooperative principles, prescribes a code of conduct for cooperatives, introduces measures for support of cooperatives, specifies the role of governments, employers and workers and recommends a policy framework for the promotion of cooperatives. It also lays the foundation for a more enduring form of enterprise — namely, cooperatives — as a viable and dynamic distinct sector of the economy that responds to the social and economic needs of the com-

munity for the realization of our common interests on the journey towards attainment of sustainable development goals.

This document, evolved out of consensus within the Committee, will meet the aspirations of, and appeal to, each of the tripartite constituents of the member States the world over.

I now join my fellow sisters and brothers in seeking not merely an adoption, but your wholehearted acceptance, of this proposed Recommendation.

Original French: The PRESIDENT — As there are no further speakers, we shall proceed with the adoption of the report. If there is no objection, may I take it that the report, paragraphs 1-325, is adopted?

(The report — paragraphs 1-325 — is adopted.)

If there is no objection, may I take it that the Annex to the report, which contains an extract from the Statement on the Cooperative Identity, adopted by the General Assembly of the International Cooperative Alliance in 1995, is adopted?

(The Annex to the report is adopted.)

PROPOSED RECOMMENDATION CONCERNING THE PROMOTION OF COOPERATIVES: ADOPTION

Original French: The PRESIDENT — We shall now proceed to the adoption of the proposed Recommendation concerning the promotion of cooperatives.

If there is no objection, may I take it that the proposed Recommendation as a whole is adopted?

(The Recommendation is adopted as a whole.)

In accordance with paragraph 7 of article 40 of the Standing Orders of the Conference, the provisions of the Recommendation concerning the promotion of cooperatives will be transmitted to the Conference Drafting Committee for the preparation of the final text.

We have now concluded the consideration of the report of the Committee on the Promotion of Cooperatives, as well as the proposed Recommendation submitted to us.

I should like to congratulate the Chairperson, the Vice-Chairpersons and the Reporter of the Committee on the Promotion of Cooperatives, and all its members, for the excellent work that they have accomplished. I would also like to thank the staff of the secretariat for their contribution to this excellent work.

The record vote on the Recommendation concerning the promotion of cooperatives will be held in plenary tomorrow morning.

REPORT OF THE COMMITTEE ON OCCUPATIONAL ACCIDENTS AND DISEASES: SUBMISSION

Original French: The PRESIDENT — We shall proceed to the examination of the report of the Committee on Occupational Accidents and Diseases, which is contained in *Provisional Record No. 24*.

I invite the Chairperson, Mr. Schlettwein (Government delegate, Namibia), the Employer Vice-Chair-

person, Mr. Cunneen (Employers' delegate, Ireland), the Worker Vice-Chairperson, Mr. Robertson (Workers' delegate, United Kingdom), and the Reporter, Mr. Coseru (Government adviser, Romania) to come and take their place on the podium.

I give the floor to Mr. Coseru, Reporter of the Committee, to submit the report.

Mr. COSERU (*Government adviser, Romania; Reporter of the Committee on Occupational Accidents and Diseases*) — It is always a privilege to address the International Labour Conference and I am especially honoured that the Committee on Occupational Accidents and Diseases has chosen me to enjoy this privilege. It is a particular pleasure to come before you today to report on the success of our Committee in establishing the texts of a proposed Protocol to the Occupational Safety and Health Convention, 1981 (No. 155), and a proposed Recommendation concerning the list of occupational diseases and the recording and notification of occupational accidents and diseases. Before presenting the results of our Committee's work, I would like to congratulate the President on his election to chair this important session of the Conference.

The first report we had before us, No. V(1), recounts that, despite enormous advances in technology, preventive medicine and the means to prevent accidents, the ILO and the World Health Organization estimate that each year around 1.2 million work-related deaths, 250 million accidents and 160 million work-related diseases occur worldwide.

Death, illness and injury on such a scale impoverish individuals and their families and undermine attempts to improve working conditions. In addition to immeasurable human suffering, they cause major economic losses for enterprises and societies as a whole, such as lost productivity and reduced work capacity. It is estimated that around 4 per cent of the world's gross domestic product (GDP) is lost in terms of various direct and indirect costs, including compensation, medical expenses, property damage, lost earnings and replacement training.

Information is needed, particularly by those charged with the task of remedying this situation, in order to understand what preventive action is necessary. This information must be sufficiently comprehensive and, above all, accurate. In fact, while a number of countries have provisions for the notification of occupational accidents and diseases to national authorities, few countries provide for recording at the level of the enterprise. The method of recording and level of detail required are also subject to some variation.

The notification of occupational accidents and diseases is generally linked either to a national workers' compensation scheme or to a statutory requirement to report to the competent authority. Differences in the organizational arrangements for the collection of data can have an impact on the reported numbers of occupational accidents and diseases. The nature and range of occupational accidents that are notifiable to national authorities differ primarily according to what sectors of specific groups of workers are covered, the size of the enterprise and whether commuting accidents are covered. The identification of what causes diseases can be a complex and difficult matter owing to the long latency period of some diseases and the multiple causes of certain others.

The under-reporting of occupational accidents and diseases is widespread, although the number of accidents and diseases that go unreported is difficult to quantify. Given the diverse systems of occupational accident and disease recording and notification in member States, it is impossible to say with any degree of certainty whether the available information accurately reflects the actual situation.

It is one of the accomplishments of our Committee that our proposed Protocol to the Occupational Safety and Health Convention, 1981 (No. 155), and the proposed Recommendation concerning the list of occupational diseases and the recording and notification of occupational accidents and diseases embrace so many of these factors. Report V(2B), with which we began our work, provided a very solid and sound basis. The proposed Protocol and proposed Recommendation underwent close scrutiny and some substantial modifications.

As an important element of enterprise occupational safety and health management systems, employers need to record information about accidents and diseases and, as appropriate, dangerous occurrences, commuting accidents and suspected cases of occupational diseases, along with the results of their investigation.

This record must be sufficiently detailed to include the essential facts. The employer is thus able to analyse the information, obtain appropriate support where necessary, understand the circumstances, and take the necessary remedial steps to prevent a recurrence in the enterprise as far as possible. On the other hand, the workers and their representatives should be aware of the notified cases so that they can contribute to improving working conditions.

At the national level the information compiled on the nature and circumstances or causes of occupational accidents, diseases and, as appropriate, dangerous occurrences, commuting accidents and suspected cases of occupational diseases is generally based on information recorded and notified by the employers. The competent authorities should annually publish statistics that are compiled in such a way as to be representative of the country as a whole, concerning occupational accidents, occupational diseases and, as appropriate, dangerous occurrences and commuting accidents, as well as the analyses thereof.

The Committee held 12 sittings and examined 188 amendments, of which 101 were withdrawn after more or less discussion, 21 adopted by consensus, one adopted by a vote, and two rejected by a vote. The remaining 63 amendments were withdrawn en bloc when, in the highest degree of consensus, it was decided that the list of occupational diseases would be referred to a meeting of experts.

We feel that the exchange of ideas that we have enjoyed in the last two weeks will set standards for every member State in the recording and notification of occupational accidents and diseases.

We made an effort to find a proper balance between generality and specificity in the two instruments before us. It is our belief that the proposed Protocol and proposed Recommendation will add important strength and also flexibility to the Occupational Safety and Health Convention, 1981 (No. 155).

The fact that only three votes were held is testimony to our attempt to find consensus. This ability to reach practical consensus without compromising principles is a gift abundantly shared by

Mr. Schlettwein, the Chairperson, and Mr. Cunneen and Mr. Robertson, the Vice-Chairpersons of our Committee. I would also like to pay tribute to the contributions of the Legal Adviser of the Conference and his team, both during the sittings of the Committee and during the Drafting Committee meetings that successfully integrated the many amendments and stylistic changes adopted during our two weeks of deliberations.

Finally, deep thanks to Mr. Takala, the representative of the Secretary-General, and his team of experts, secretaries, clerks, typists and others whose work was essential to the successful conclusion of our activities. It is the outcome of those activities — our report and the proposed Protocol and proposed Recommendation — that I now have the pleasure of submitting for your consideration and recommending for your adoption.

Mr. CUNNEEN (*Employers' delegate, Ireland; Employer Vice-Chairperson of the Committee on Occupational Accidents and Diseases*) — It is my honour as the Employer spokesperson of the Committee on Occupational Accidents and Diseases to address this assembly today.

The Employers' group all agree on the need to improve workplace health and safety. Where there are differences between the Employers' group and the other groups, these are in the area of how to achieve an agreed outcome, not on the outcome itself.

It is important for all of us to recall that the issue of standard-setting policy itself has been debated and a future direction accepted within the Governing Body. It was agreed to create an approach which should lead to clearer and more relevant standards which are universally applicable. An instrument with only 37 ratifications is not, we believe, strengthened by a Protocol of this kind. It will do little, if anything, to extend health and safety protection throughout the world.

We do not believe that the proposed Protocol being considered here today meets the criteria set by the Governing Body. Furthermore, any instrument whose language includes provisions which are vague or undefined is also failing to match these criteria, and this, we believe, is the case with respect to certain provisions of this proposed Protocol.

For these reasons, and for these reasons only, the Employers' group will abstain from the vote on the Protocol tomorrow, while voting to adopt the proposed Recommendation as a text. We believe this is wholly consistent with the approach on standard setting adopted by the Governing Body.

The fundamental purpose of requiring employers to record occupational accidents and diseases is prevention — to enable employers, with the cooperation of their workers, to take appropriate corrective workplace measures. Furthermore, in being required to notify the competent authorities of occupational accidents and diseases, employers contribute to enabling governments to establish national statistics to guide them in taking any necessary action, including, where appropriate, the adoption of legislation.

In reviewing the Committee's deliberations, I do not intend to report in detail either on the outcome or the process. This has been done already very skilfully by our Reporter. Instead, I have taken from the discussion a number of themes, which, I believe, reflect the contrasting perspectives which emerged and the balance which we achieved between them.

The themes I have selected are legislation and persuasion, responsibility and power, science and society, flexibility and dogmatism.

The first theme, legislation and persuasion, is, I hope, intended to convey the different approaches of Government and Workers, as opposed to Employers, on the most appropriate method of achieving the goal of recording and notification. The Workers and Governments both favoured the Protocol approach, which clearly lies in the category of legislation. The Employers, on the other hand, favoured a Recommendation as more likely to command the widest appeal and therefore most likely to be effective. Employers, in taking this view, were very much influenced by the fact that, without the ratification of the Occupational Safety and Health Convention, 1981 (No. 155), a Protocol linked to it has little likelihood of being operative. In the 21 years since its adoption by the Conference, only 37 of the ILO's 176 member States have actually ratified it. Moreover, in our Committee, only 13 of those 37 member States actually voiced themselves as being in favour of drawing up a proposed Protocol.

So, whatever the future, only 20 per cent of the member States of this Organization have ratified [Convention No. 155](#) up to the present. The Employers' reservations are a reflection of this reality. Within days of the vote by Government and Workers to take the Protocol route, it was interesting to see the reservations which many member States were expressing on the difficulties which they were encountering in implementing the basic requirements of the proposed Protocol, such as the provision of some forms of national accident statistics.

It was against this background that the Employers' group took a firm stand and opted for a Recommendation rather than a Protocol. That was why we requested a record vote in the Committee, to allow each delegate to reflect fully on the form of the instrument proposed.

However, irrespective of the form of instrument adopted tomorrow, the employers will continue to strive in a manner they believe most effective in order to achieve the objective of prevention of workplace accidents, with the recording and notification of occupational accidents and diseases as an important part of that mission. Where our views differ from those of Government and Workers' delegates is that we would wish the objective which has been set to be described rather than prescribed.

My second theme is power and responsibility. We, the Employers, believe very strongly that power and responsibility should be viewed as a single integrated entity, not separated. This is the case in the field of workplace health and safety. As in any other area of human endeavour, it is precisely because workers are such a valuable, in fact the most valuable, asset of any enterprise, that we the Employers have come here to this Conference to work towards measures to strengthen protection of the safety and health of the workers.

It is a matter of regret to the Employers that, apart from a general reference to the Occupational Safety and Health Convention, 1981 (No. 155), the Workers' group did not take up the invitation of the Employers to become involved in the search for a more structured and a more recognized role for workers in the area of workplace health and safety.

Such an involvement in the shared responsibility or duty — or any other definition or description of the Workers' own choosing — would more accurately reflect the true contribution workers could make in improving workplace health and safety. Indeed, in the area of reporting accidents within the enterprise, their role has to be seen as key. Apart from making a positive contribution towards workplace health and safety, however lightly their role were to be defined, the result would have been an increase in worker empowerment. When you share responsibility, you also share power.

My third theme is science and society. Carl Sagan, the scientist and astronomer wrote: "We live in a society exquisitely dependent on science and technology, in which hardly anyone knows anything about science and technology." I am happy to record what is, I believe, a significant advance in the recognition of the role of science in workplace health and safety, specifically in the field of occupational diseases. The initiative sponsored by the Employers and supported by the Workers and Governments recommends that the Governing Body of the International Labour Office establish a technical working group to review the list of occupational diseases in a timely fashion, and report back to the Governing Body with its findings and recommendations.

As a first step to move ahead with the implementation of this proposal, the Employers agreed to withdraw their 11-year old non-acceptance of the 1991 list of occupational diseases, which is annexed to the report of the Office. This policy change by the Employers is in the interest of moving the listing and categorization of occupational diseases into the arena in which it properly belongs, that of science. The outcome, a scientifically validated list of occupational diseases, is worth whatever is necessary to achieve it. I believe this Conference can legitimately record this achievement as not just a decision, but more a change in the process of decision-making in the important area of occupational diseases.

My last theme is called flexibility and dogma. The meeting reached a number of decisions which reflected the need to look again at a more dogmatic approach to health and safety recording of notifications. The same approach was used to treat dangerous occurrences and commuting accidents in a different way from actual occupational accidents, as well as to qualify the relationship between recording and notification with compensation. This outcome reflected the perceived need for a more flexible, regionally sensitive approach to specific aspects of workplace health and safety.

May we turn now to the process of the Conference. I would first like to pay tribute to our Chairperson, Mr. Carl Schlettwein. He quite properly encouraged the Committee to seek consensus rather than conflict, and he did so with unfailing courtesy and a gentle sense of humour.

I must also pay tribute to the Office, and to the professionalism of Dr. Takala and his colleagues, especially in the preparation work which they did in advance of this session of the Conference. That is reflected by the very small number of amendments finally adopted.

Next, I would like to pay tribute to the Government and Workers' delegates, particularly to Hugh Robertson, the Worker Vice-Chairperson. While they did not endorse everything I said on behalf of the

Employers, the attitude was very much that of Voltaire who, as many of you know better than I do, was a house builder and general entrepreneur in this area. Indeed, if the ILO had existed then, he could well have been sitting on the Employers' benches. In any event, as you will know, his view was: "I disapprove of what you say, but I will defend to the death your right to say it."

Finally, I want to thank my colleagues, the Employers' delegates. The level, policy and diversity of their expertise made my task an easy one. I would also like to thank the International Organisation of Employers (IOE), as well as the Irish Business and Employers' Confederation (IBEC), which selected me as Vice-Chairperson. I would not have survived without the guidance I received from the IOE executive, in particular Daniel Funes de Rioja at policy level and Barbara Perkins at an operational level. They helped me find my way through the intellectual minefield of ILO policies and procedures, and indeed to find my way around this massive building.

Let me end on a positive note. If workplace health and safety policies and practices begin with prevention, the rest will follow. What we must do, all of us, is to lead those we manage, and inspire those we influence towards this goal.

Mr. ROBERTSON (*Workers' delegate, United Kingdom; Worker Vice-Chairperson of the Committee on Occupational Accidents and Diseases*) — The Workers' group is not only pleased, but is actually honoured to be able to support the adoption of both the Protocol and the Recommendation. The document that has emerged is practical and flexible, and it will help to address the real issues that are faced in both the developing and the industrialized world.

The changes that have been made during the past two weeks of discussions have actually been very few. We have increased the emphasis on prevention, we have introduced a greater element of flexibility and we have introduced new guarantees of confidentiality and protection against discrimination. All of these, we introduced with the full support of every side of the Committee.

Yet, otherwise, apart from these changes the text is almost exactly as proposed by the original Office text. That does not mean that the Committee has not been successful. Quite the opposite.

The job of the Committee was to scrutinize, not to change, and the fact that, by and large, the Office text stood up to scrutiny is a reflection of the success of the consultation process that had been conducted with such overwhelming support for the text and also of the skills of SafeWork, which drafted it.

On behalf of the Workers' group, I would like to pay tribute to Dr. Takala and his staff, for their expertise and professionalism.

We would also like to thank the Governments for the way that they engaged in the process. Many of the successful amendments came from the Government side, and on all issues they showed a willingness to listen to arguments and exercise flexibility and pragmatism.

On day one, the Workers' group stated that we were here to reach a consensus. We believe that we reached that consensus because the Employers' group, like us, claimed a commitment to reaching an agreement. During the discussions, over two weeks, we had very positive airing of views. Until this

morning, the Workers' group believed that they had reached a consensus.

I am not going to respond to the individual points made by the Employer spokesperson. What I will say, is that all these issues were discussed, in full, in the Committee. I think the vote that took place on Monday speaks for itself.

The vote, I believe, and the consensus which had been achieved, was in no small part due to the efforts of the Chairperson of the Committee whose good-natured and fair conducting of the proceedings ensured that we always made progress, even when a way out seemed impossible.

I would like to also take the opportunity of thanking everyone in the Workers' group, particularly the secretary to the group, Fiona Murie, from the International Federation of Building and Woodworkers, who did an excellent job and provided support well over and above what could reasonably be expected.

I would also like to thank Ahmed Khalef and Beth Goodson from ACTRAV who provided invaluable practical assistance to the group.

The Protocol which is being supported, and which will be voted on tomorrow, is a Protocol to the Occupational Safety and Health Convention, 1981 (No. 155). The Protocol refers specifically to Article 11 of that Convention and develops the existing requirement to record and notify accidents and diseases caused by work and to compile statistics nationally which will help to achieve more coherent and focused prevention programmes.

That Protocol, when approved, may be ratified at the same time as [Convention No. 155](#), or by governments at any time afterwards. The Workers' group do not believe that the Protocol is in any way a deterrent to ratification of Convention No. 155.

We already know that [Convention No. 155](#) has proved invaluable to many countries in the drafting of legislation. As I said, we had a lengthy discussion on the relative merits of a Protocol. We considered the alternatives, such as a Recommendation, and the vote within the Committee showed that there was overwhelming support from both Governments and Workers for a Protocol. As a result, we now have a proposal for a Protocol in part, and a Recommendation in part.

Throughout the process we have all been committed to getting the most usable, workable document, and I believe that we achieved that. It is rooted firmly in the principle of prevention and gives a clear practical lead to governments throughout the world.

There is no doubt that occupational accidents and diseases are seriously under-reported throughout the world. In both the industrialized and the developing countries the recording of accidents and illnesses caused through work reflects only a small percentage of the true scale of the problem.

As a result of this under-reporting, those who suffer from occupational illnesses and diseases had no recognition at all of their illnesses, or of the fact that their illness was a result of their work.

This Protocol will address both these issues. Not only will it help ensure that record-keeping is improved and made consistent, but it will allow the information obtained to be used to help prevent further accidents and diseases, and at the same time, give some recognition to those who have suffered as a result of work.

The Protocol, over time, will begin to address the human tragedy which leads to almost 2 million deaths, 250 million accidents and 160 million diseases every single year. At the same time, it should help improve the effectiveness and efficiency of the workforce and reduce dependency on the state of those made unable to work through accidents or illnesses caused by work.

The Workers' group hopes that when you go back to your countries you will seek the early adoption of [Convention No. 155](#) and of the Protocol. However good the contents are, and we believe that the contents are good, it will have no effect unless countries use it.

The effects of the Protocol and Recommendation will not be seen for many years. However, they will be seen. Accordingly, on behalf of the Workers' group, I am pleased to be able to strongly support this proposal, which was supported unanimously on Monday at the Committee, and we urge you to vote in favour of both the Protocol and the Recommendation tomorrow.

Mr. SCHLETTWEIN (*Government delegate, Namibia; Chairperson of the Committee on Occupational Accidents and Diseases*) — First of all, it is indeed a privilege for me, and my country, to have been afforded the chance to address this august house and to chair the Conference Committee on Occupational Accidents and Diseases.

After the excellent report submitted by our Reporter, and the contributions from my Vice-Chairpersons, the task left for me is a very easy one.

I have to say thank you to the key actors but, before I do that, allow me to very briefly share some thoughts with you.

The Committee on Occupational Accidents and Diseases completed the three tasks included in the agenda item, namely the drafting of the proposed texts for a Protocol to the Occupational Safety and Health Convention, 1981 (No. 155), a Recommendation concerning a new list of occupational diseases and a new mechanism for updating the list.

The Protocol provides basic principles for the recording and notification of occupational accidents and diseases which support the strengthening of national and enterprises-level action for the collection and analysis of data on accidents and diseases. These data are essential for developing effective national policies and programmes, and the new instrument will contribute greatly to the improvement of safety and health at work.

May I add at this point that the main aim is surely not only to collect statistics, but to make the place of work safer and prevent occupational diseases and accidents.

Another key achievement concerns the list of occupational diseases. While an ILO list of occupational diseases is available in the form of Schedule I of the Employment Injury Benefits Convention, 1964 (No. 121) [Schedule I amended in 1980], this list has not been revised the last 22 years. This is a clear indication of a need to revise the mechanism to amend these important lists.

The Committee produced a new list of occupational diseases as an annex to the proposed Recommendation, together with a new mechanism for updating the list through experts meeting of which will enable the list to be updated more frequently, reflecting the developments in the member States and new

scientific knowledge. The new list of occupational diseases will stimulate the national review process and dialogue on the identification and prevention of occupational diseases, and is a great help for reviewing national lists. The new mechanism could be a model, in my opinion, for other subject areas of the ILO which require flexible reviewing and updating mechanisms. It also introduces an element of relevance to lists that need updating frequently.

Let us return to the Committee. The Committee, through the atmosphere of the group and its spokespersons, had the ability to always seek a compromise, and has always committed itself to consensus building. The arguments we listened to were clear and all the delegates on sides — the Workers, Employers and Governments — had not only the ability to speak well, but also to listen well. We managed to avoid a situation where only positions were stated. We added to this by proposing solutions to bridge the differences that existed. This created a very cordial atmosphere in the Committee and the outcome is a consensus document.

When the Committee concluded its work, I left with the impression that we indeed had reached an agreement on all the issues through good deliberations, in an atmosphere that furthered consensus and committed us to bridging our differences.

It is my hope that this atmosphere will spill over into the whole house and that, if we vote tomorrow on

the acceptance of both the Protocol and the Recommendation, we will in fact reach consensus.

Before I conclude — I see the clock is almost at one — I pay tribute to both the Vice-Chairpersons, the spokesperson for the Employers, Mr. Frank Cunneen, and the spokesperson for the Workers, Mr. Hugh Robertson, for their assistance in achieving consensus decisions in the Committee. I would also like to say thanks to the Office under the leadership of Dr. Takala for the professional support they gave me as the Chair. I have to pay tribute to the Legal Adviser who helped us to negotiate some sticky patches on legal issues and I want to pay tribute to all the delegates of my Committee. It was an enjoyable experience for me and, in fact, we even had fun in the meeting.

To put it in ILO jargon, the whole house may wish to consider voting “yes” for the Protocol, Recommendation and list of occupational diseases.

Original French: The PRESIDENT — We shall have a general discussion on the report of the Committee on Occupational Accidents and Diseases this afternoon and shall then proceed to the adoption of the report and the draft instruments. We shall then examine the report of the Committee on the Informal Economy.

(The Conference adjourned at 1 p.m.)

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