Resolutions adopted by the
International Labour Conference at its 77th Session
(Geneva, June 1990)

I

Resolution to place on the agenda of the next ordinary session of the Conference an item entitled “Working conditions in hotels, restaurants and similar establishments”.

The General Conference of the International Labour Organisation,

Having adopted the report of the Committee appointed to consider the sixth item on the agenda,

Having in particular approved as general conclusions, with a view to the consultation of Governments, proposals for a Convention and a Recommendation concerning working conditions in hotels, restaurants and similar establishments,

Decides that an item entitled “Working conditions in hotels, restaurants and similar establishments” shall be included in the agenda of its next ordinary session for a second discussion with a view to the adoption of a Convention and a Recommendation.

II

Resolution concerning assistance to Namibia

The General Conference of the International Labour Organisation,

Welcoming Namibia’s accession to independence and expressing the conviction that this constitutes a step towards equality, justice, peace and development in that country,

Welcoming the fact that, in becoming the 160th member State of the United Nations, Namibia is joining the concert of the nations of the world and is displaying its determination to co-operate and to play its part at the international level,

Congratulating Namibia in particular on its Constitution, which defines inter alia in article 95 the principles of its policy of social protection aimed at:

- active encouragement of the formation of independent trade unions to protect workers’ rights and interests and to promote sound labour relations and fair employment practices;
- membership of the International Labour Organisation (ILO) and [ ] adherence to and action in accordance with the international Conventions and Recommendations of the ILO,

Considering that, by reason of the economic, social and political structures of the colonial and apartheid system, Namibia has to overcome considerable obstacles to its development in spite of its mining, fishery and extensive cattle-breeding resources,

Considering that international co-operation based on principles of solidarity and the sovereignty of each country is essential to assist the country to resolve a great number of social, economic, juridical and administrative problems,

Welcoming the assistance already provided by the ILO and the measures being taken at present to draw up a global programme of future assistance to Namibia in agreement with the Government,

Considering it necessary that such efforts be developed, supported and supplemented by the international community as a whole;

1. Appeals to intergovernmental and non-governmental international organisations, to governments and to member States to reinforce multilateral or

1 Adopted on 26 June 1990.
bilateral international co-operation with Namibia in the economic, social and cultural fields.

2. Requests the Governing Body of the International Labour Office to make resources available for the rapid implementation of a programme of activities within the ILO's competence, covering in particular the following areas:
- elimination of discrimination as defined in the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), and promotion of equality of opportunity and treatment between women and men in all programmes concerning the world of work;
- re-entry into working life and vocational rehabilitation;
- employment promotion and human resources development;
- vocational training and management development;
- workers' education;
- promotion of small and medium-sized enterprises in the context of the resolution and conclusions concerning the promotion of small and medium-sized enterprises adopted by the 72nd Session of the International Labour Conference;
- labour administration and industrial relations;
- labour and social security legislation in keeping with ILO standards,
- independent workers' and employers' organisations.

III

Resolution concerning environment, development, employment and the role of the ILO

The General Conference of the International Labour Organisation,

Noting with deep concern that continuing environmental damage presents a serious and growing threat to the quality of human life and the prospects for future economic activity and employment throughout the world, and recognising that urgent and global action is vital to preserving the ecological balance of the world,

Convinced that environment goals and activities need to be defined in relation to development objectives and that economic and social policies should be elaborated with due account being taken of the need for the rational and harmonious utilisation of resources and to protect and improve the general and working environment, and that economic development and employment must be environmentally sound and sustainable if they are to constitute real sources of progress,

Convinced that policy measures and tripartite co-operation at the national and international level can be used to create positive links between environmental protection and employment creation,

Deeply concerned about the practice of disposing of nuclear and other hazardous wastes in some developing countries, especially in Africa,

Recalling the need to strengthen regional and international co-operation for the development of activities to protect the environment and for the effective prevention of the illegal transfer of radioactive or toxic substances out of the countries that produce them to countries not having technical means for processing and eliminating them,

Noting with concern, in particular, the seriousness of the ecological situation in a number of member States of the ILO, for instance the situation resulting from the Chernobyl nuclear power plant accident, and aware of the urgent need to establish broad international co-operation on the elimination of the consequences of such accidents in the interests of all mankind,

Stressing that the working environment forms an important and integral part of the general environment as a whole and that improvements in the working environment will enhance the quality of the latter,
Considering that efforts to preserve a healthy environment must be undertaken on the widest possible basis and must stem from active co-operation among all countries and the organisations of the United Nations system,

Considering that the concept of sustainable and environmentally sound development put forward in the report of the World Commission on Environment and Development (Brundtland report) and supported in a number of decisions taken by the United Nations and by the agencies within the United Nations system and included in the Director-General's Report ("sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs") should be a guiding principle for all relevant ILO activities and that the Organisation can and should make an effective contribution, in areas within its competence, to international efforts aimed at implementing the above concept,

Noting that the ILO's tripartite structure provides special opportunities for examining within its framework the social and economic aspects of environmental protection, including the consequences on employment, and for the governments and employers' and workers' organisations to devise appropriate measures, to exchange experience and information and to elaborate international labour standards,

Noting the increasing relationship between environmental issues and social and labour problems, particularly issues concerning employment, training and the development of enterprises, and noting also the special role that the ILO could play in studying this relationship,

Considering that technical co-operation with the ILO as well as sustained and increased assistance, including additional financial resources and transfer of technology from the international community should be made available to the developing countries, which are faced with numerous complex problems derived from their poverty and indebtedness, their population growth and the difficulties of participation in international markets and the related problems of economic and social recovery and the rapid deterioration of the environment,

Stressing also that policies for environmental protection should be based upon the universal application of the general principle that the cost of measures to prevent environmental pollution and to repair environmental damage should be borne by the polluter,

Welcoming United Nations General Assembly resolution 44/228 concerning the United Nations Conference on Environment and Development to be held in 1992 and noting that the ILO should make an appropriate contribution to the organisation of this conference,

Noting with interest the progress of the regional preparatory process for that conference,

Noting with appreciation the Report of the Director-General to the present session of the International Labour Conference, Environment and the world of work,

Noting also the views expressed in the debate on the Director-General's Report in the plenary of the 77th Session of the International Labour Conference,

Welcoming also the ILO contribution to environmentally sound and sustainable development submitted to the 44th Session of the General Assembly,

Recalling the resolutions concerning the questions of the environment and employment adopted by the Fourth European and the Seventh African Regional Conferences of the ILO,

Taking account of the conclusions of the ILO's Tripartite Meeting of Experts on Employment and Training Implications of Environmental Policies in Europe,

Recognising that "environmental concerns" have been established as one of the priority themes in the Medium-Term Plan for 1990-95 as well as in the Programme and Budget for 1990-91, and commending the Director-General for activities already undertaken or started in this area;

1. Calls upon governments and, as appropriate, employers' and workers' organisations to:
(a) take account of the analysis and recommendations contained in the Environmental Perspective and the report of the World Commission in determining their policies and programmes;
(b) promote employment policies and technologies which contribute to environmental protection and rehabilitation, and a clean and healthy working environment, and stimulate environmental activities which contribute to sound and lasting employment;
(c) strengthen regional and international co-operation on environmental protection to encourage policies based on environmentally sound and sustainable development;
(d) seek to establish an equitable system of international economic relations in order to stimulate and sustain environmentally sound development, especially in developing and the least developed countries;
(e) take necessary measures to ensure full collaboration with all concerned, including employers’ and workers’ organisations, in the formulation and implementation of integrated policies aimed at full employment and a clean and healthy environment, particularly the working environment;
(f) promote the restructuring of enterprises and other activities which impose a heavy burden on the environment so as to attain necessary environmental standards and economic growth as rapidly as possible, while maintaining or increasing, as far as possible, the number of jobs involved;
(g) take appropriate measures for the safety and health of workers and populations with regard to the problems posed by the production, transportation and storage of nuclear and hazardous products and to mobilise necessary means to eliminate the waste derived from these products in plants that are especially intended for that purpose, and to rehabilitate the areas that have been contaminated by the disposal of such wastes;
(h) refrain from introducing nuclear and other toxic wastes in developing countries, particularly in Africa, Asia and Latin America, and impose, in accordance with the principles enshrined in the relevant conventions, strict control on the transport and storage, in conditions offering every guarantee of safety, of such wastes in order to minimise transboundary movements and to prohibit their export to countries that do not have the technical means to process and eliminate them;
(i) offer the educational systems and the public the widest range of appropriate rapid information in order to enhance awareness of employment and population aspects of environmental issues and to generate active participation in the protection and the rational utilisation of natural resources and of the environment;
(j) assist developing countries in the carrying out of studies, the exchange of information and the gaining of access to the necessary new and safe technology and instruments to define standards and guarantee the protection of the environment, taking into account the need to grant these countries additional resources for the adequate solution of their pressing environmental problems;
(k) develop concerted strategies to provide adequate education and training to all parties involved in environmental protection;
(l) strengthen research, training and information activities in all areas concerning development, employment and environmental protection;
(m) develop and strengthen systems for environmental monitoring, protection and supervision;
(n) ratify and implement decisions and international conventions concerning the protection of nature and the environment;
(o) provide economic, financial and technical assistance for developing countries which refrain from utilising to economic advantage those globally scarce natural resources the depletion of which would harm the environment, and assist them to develop in a manner compatible with the conservation of the environment;
(p) make the fullest possible input to the 1992 United Nations Conference on Environment and Development and provide for full consultation with workers' and employers' organisations and tripartite involvement in the preparations for the Conference.

2. Requests the Governing Body of the International Labour Office to instruct the Director-General:

(a) to continue to explore ways and means of integrating environmental considerations in all relevant ILO activities, and to ensure that relevant ILO projects and programmes are screened in the light of their compatibility with sustainable and environmentally sound development;

(b) to carry out further research on the relationship between environment, employment and training and stimulate the exchange of relevant information and experience among the ILO's constituents;

(c) to ensure that activities aimed at creating environmentally sound and lasting employment, alleviating poverty and improving the working environment and conditions of life of the rural and urban poor in developing countries will be given due attention in the context of the ILO's technical co-operation programme;

(d) to provide all possible technical assistance to developing countries as regards the working environment and the employment and training aspects of environmental protection problems;

(e) to give increased attention to the linkages between the working environment and the general environment, particularly in the ILO's technical co-operation activities and its work with international labour standards;

(f) to give increased attention to environmental education and training by integrating environmental considerations more effectively into training activities related to ILO programmes in all areas, including workers' and employers' education activities;

(g) to encourage world financial institutions to review their policies and programmes with a view to stimulating the growth of employment within the general framework of sustainable development;

(h) to conduct an analysis of the possible interrelationship between structural adjustment related to the need to maintain and improve the environment, on the one hand, and such social and labour problems as employment and training, on the other hand;

(i) in elaborating new and revising existing Conventions and Recommendations, to take due account of environmental aspects, with a view to protecting the working and general environment and promoting environmentally sound economic and social development;

(j) to co-operate closely with the United Nations Environment Programme and other concerned international organisations and agencies, including regional bodies, in order to take due account of the social and labour aspects of the environment problem in preparing new international agreements on environmental protection;

(k) to prepare an appropriate contribution to the United Nations Conference on Environment and Development to be held in 1992, including participation in the drafting of a document on environmental rights and obligations that may be considered by the Conference, taking into account existing international instruments;

(l) to ensure, on the basis, inter alia, of the proposals and suggestions put forward in the debate on his Report to the Conference, that environmental concerns falling within the mandate of the ILO continue to be one of the priorities in his programme and budget proposals for future biennia;

(m) to make specific provision in his 1992-93 budget proposals to institute appropriate follow-up by the ILO including the possibility of holding a high-level meeting to determine the appropriate reaction of the ILO to the conclusions and recommendations of the 1992 United Nations Conference on Environment and Development.
Resolution concerning self-employment promotion

The General Conference of the International Labour Organisation,
Having taken note of Report VII on the promotion of self-employment;
1. Adopts the following conclusions;
2. Invites the Governing Body to request the Director-General:
   (a) to bring these Conclusions to the attention of member States and of
       employers' and workers' organisations.
   (b) to take the Conclusions into account in the preparation of the Programme and
       Budget proposals for the 1992-93 and subsequent biennia, and the next
       medium-term plan.

CONCLUSIONS CONCERNING THE PROMOTION OF SELF-EMPLOYMENT

INTRODUCTION

1. There is a new interest in the potential of non-agricultural self-employment for generating productive employment. This has come about as a conjuncture of several developments – slower growth throughout the world and the economic crisis in large parts of the Third World, which have led to a worsening of unemployment and poverty; the growing ascendency of free-market philosophies emphasising private initiative and enterprise as the mainspring of economic progress; and the parallel disillusionment with centralised planning and excessive public sector intervention as instruments for promoting growth. At the same time technological changes affecting production and communications have created new opportunities for the growth of self-employment by facilitating a shift towards more decentralised and flexible systems, presenting both benefits and risks. It can no longer be assumed that non-agricultural self-employment will follow the historical pattern and decline while full-time protected urban wage employment increases in the course of modernisation and development, even though a few countries continue to follow that path successfully.

2. In addition, and even in many countries which experienced reasonably satisfactory rates of economic growth in the second half of the 1980s, poverty persists and poverty alleviation programmes are a priority. Many among the working poor in urban areas are self-employed, trapped in low-productivity marginal activities. The promotion of productive self-employment is thus seen as one means of raising incomes to acceptable levels. Yet any effort to encourage self-employment has to take account of its down side – the fact that it involves assuming the substantial risks of unstable earnings and failure, and that workers may be exposed to hazards and a lack of social protection.

3. The categories of self-employment are not always clear cut and no unique definition serves all purposes. The non-agricultural self-employed – defined here as own-account workers and employers (working owners of unincorporated businesses) – create employment for themselves and for others, including regular and casual employees, unpaid family workers and apprentices. Members of producers' co-operatives are also in principle counted as self-employed workers although data is seldom collected separately. There are some fundamental characteristics which distinguish the self-employed from wage employees. In particular they are distinguished by the mode of remuneration. The earnings of the self-employed represent a return on capital as well as labour, entrepreneurial skill and risk-taking, whereas the wage employee receives a payment for his or her labour. Unlike most wage employees, the self-employed person, whether own-

\[1\] Adopted on 27 June 1990.
account worker or employer, generally has a considerable degree of independence, controls labour time and use, is responsible for the range of economic and financial decisions and bears a major share of the risks of failure. He or she may be operating at the margin of subsistence or reaping significant gains; there are disproportionate shares of both among the self-employed compared to wage employees in most countries.

4. Employment relationships are complex and do not all fit into neat conceptual categories. While the polar cases of pure wage and self-employment are simple to categorise, there are hybrid and intermediate cases which need to be recognised. Among these an important category is the nominal self-employed – those who are sometimes classified as self-employed in national statistics and who may consider themselves to be such, but who are in reality engaged in dependent employment relationships more akin to wage employment than to genuine autonomous self-employment. These intermediate relationships may arise either from dependence on a single supplier of inputs or distributor of products, or from being tied to a single owner of the means of production. It is important to recognise the existence of the nominal self-employed because they constitute an important potential source of those who can be assisted to become either genuinely self-employed or regular wage employees enjoying full benefits. While the appropriate means of action towards the nominal self-employed depend on specific contexts, it is nevertheless important to be aware of their problems in discussions of employment policy, including the promotion of self-employment.

5. A useful concept to introduce in discussions of issues relating to self-employment is that of the self-employment sector, which has a global application, being relevant to the industrialised countries of East and West as well as developing countries. This sector consists of all persons working in economic units owned and operated by the self-employed – own-account workers, working proprietors and all dependent workers associated with them – regular and casual wage employees, apprentices and unpaid family workers as well as members of producers' co-operatives.

**OBJECTIVES**

6. The overall objective of policies concerning self-employment is the attainment of full, productive and freely-chosen employment with the distribution between self-employment and wage employment being determined by dynamic market forces subject to the maintenance of adequate social protection and respect for applicable international labour standards. This implies that:

(a) only freely chosen and productive forms of self-employment should be promoted – that is, those which enable individuals to fulfil their potential and give free rein to their creativity and initiative in a self-employment activity;

(b) low productivity but potentially viable self-employment activities should be upgraded. Productive alternatives – whether in wage or self-employment – should be promoted for those engaged in marginal or nominal self-employment activities;

(c) there should be no biases against the growth of socially desirable forms of productive self-employment;

(d) the self-employed should ultimately enjoy broadly similar social protection\(^1\) to that of other protected groups in each country. Economic and social policies should be sensitive to the need to raise the working conditions and social protection of all those engaged in the self-employment sector where these are below acceptable minimum levels;

(e) the self-employed, like all workers and employers, shall have the assured right to form or join organisations of their own choosing, in conformity with ILO standards on freedom of association, and to pursue goals they set for themselves.

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\(^1\) Including labour rights.
7. The overall institutional and policy framework plays a crucial role in determining whether productive self-employment can reach its full potential and whether unproductive forms can be upgraded. Macro-economic instability, an inadequate or uncertain legal environment, overly bureaucratic regulation, and policy distortions and incentives favouring capital-intensive investment all interfere with the development of productive self-employment and may even encourage unproductive forms.

8. The promotion of self-employment must take account of its effect on four categories: productive and socially desirable types of self-employment; unproductive, undesirable and dead-end forms of self-employment; nominal self-employment involving disguised wage employment; and the employees of the self-employed. There is a wide range of self-employment activities, including high income activities such as in the liberal professions, average income activities in sales and services, and extremely low productivity and low income survival activities, such as petty trading, street-selling and repairing by own-account workers.

9. The objective in promoting self-employment is to improve overall labour productivity, the quality of employment, and the rate of economic growth through an increase in productive self-employment. This might entail a reduction rather than an increase in the proportion of workers in marginal, low productivity activities.

10. In a situation where the distribution of incomes and assets is not highly unequal and where there is an adequate social safety net the removal of unnecessary obstacles and distortions may be a sufficient condition for the successful promotion of self-employment. However, where endowments are highly unequal and in the absence of an adequate social safety net, a neutral environment will in fact favour those who are better endowed. In particular, the position of the poor who are engaged in marginal self-employment could deteriorate as a result of the operation of dynamic market forces. In some cases it is clearly important to recognise the need to avoid inequalities and to alleviate poverty through programmes targeted at the poor and the maintenance of a social safety net.

11. The scale of self-employment and some of the issues regarding its promotion are significantly different in industrialised economies than they are in developing economies. In developing countries it is often the case that low productivity activities are the predominant form of self-employment. In these countries it is important to ensure that the promotion of self-employment does not lead to a general deterioration of employment conditions with more people entering low productivity activities. In the Eastern European transition economies, only a very small proportion of the urban labour force is self-employed. These economies are engaged in a process of removing restrictions on private activity which were based on central planning, of developing the institutional and legal framework for a market economy, and of defining a new, more indirect role for the state in creating employment. Hence self-employment promotion is seen as a positive means of increasing job creation in the private sector. The industrialised market economies generally possess the relevant framework and institutions. These countries are more particularly concerned with promoting self-employment in order to deal with their problems of unemployment and to facilitate the entry into self-employment of those persons who prefer it. The incidence of poverty in the self-employment sector is not as widespread nor as extreme as in developing countries. However, the quality of self-employment is of course an issue of concern to industrialised countries as well.

12. Although the promotion of self-employment confers many advantages, the existence of this source of employment growth should not give rise to complacency over the need to continue promoting growth in productive wage-employment. While the self-employment sector can serve as a refuge for the unemployed and the under-employed, governments should maintain an environment favourable to the growth of productive employment. A recognition of the advantages of growth in
productive self-employment shall not divert attention from the fact that there are certain jobs in the self-employment sector which need to be either improved or eliminated. In particular, it is important to guard against the growth of precarious and dependent forms of nominal self-employment stemming from attempts to bypass protective social legislation and erode the employment security and earnings of affected workers.

13. The combination of these difficulties and opportunities means that in many countries the level of self-employment is in need of change. On the one hand, the growth of productive, remunerative self-employment may be constrained below its potential by policy distortions, incentive biases, and excessive institutional and regulatory obstacles. On the other hand, there are too many workers crowded in low-productivity and unremunerative self-employment activities which fail to meet minimum labour standards and which may be based on exploitative or highly dependent relationships. Further, some self-employment consists of socially unproductive activities; some entails marginal work in the form of nominal self-employment. And the employees of the self-employed may be particularly disadvantaged in terms of working conditions and protection.

14. There are four main areas where policies and measures need to be developed and extended.

15. **Overall policies and institutions**

   (a) Policies should be adopted which ensure macro-economic stability and the preconditions for steady economic growth. This will include policies and institutions which provide for the growth of dynamic market economies and the efficient allocation of resources, encourage the growth of private initiative and entrepreneurship, and which at the same time encourage full, productive and freely-chosen employment, equity, and adequate social protection for vulnerable workers, such as those in marginal self-employment activities, the nominal self-employed, unpaid family workers and the employees of the self-employed. Policies should be devised and implemented on the basis of tripartite consultations.

   (b) The overall economic policy and institutional framework should be reviewed to identify obstacles to the growth of productive self-employment. These may include instability in macro-economic conditions, an inadequate or uncertain legal and institutional framework governing private economic activity, regulations which unnecessarily restrict or inhibit access to self-employment, incentive biases against self-employment activities, and the special handicaps faced by the poor and other socially disadvantaged groups in gaining access to the productive assets and skills required for entry into self-employment. All such possible problem areas should be examined and reforms instituted where needed.

   (c) Coverage of the self-employed in existing statistics should be improved and there is a need to generate, on a regular basis, more and better information on the numbers in self-employment, the economic and social characteristics of the self-employed, their earnings, hours and other conditions of work. Similar information should also be generated on the employees of the self-employed, unpaid family workers and the nominal self-employed. Labour market information systems should be expanded to include monitoring of changes in self-employment, and in the self-employment sector as a whole.

   (d) Policy-oriented research in government agencies, universities and research institutes should seek to strengthen the knowledge base on the nature and characteristics of different types of self-employment, the aspirations of the self-employed and the obstacles to realising these, the characteristics of a policy, institutional and regulatory environment conducive to the growth of productive self-employment, and the relative social costs and benefits of different types of interventions to promote self-employment. Special attention should also be devoted to the self-employment problems faced by the poor and
other disadvantaged groups and to the identification of cost-effective means of improving the employment conditions and social protection of the self-employed.

16. Direct promotional measures

(a) Government agencies, in collaboration with other appropriate institutions concerned with the issue, should identify strategic areas for initiatives to promote self-employment within the context of dynamic market forces subject to the maintenance of adequate social protection and respect for applicable international labour standards. These may include: efforts to raise productivity and earnings of those currently engaged in marginal, low-productivity but potentially viable self-employment activities; measures to improve the access of the actual and potential self-employed including the nominal self-employed to credit, productive inputs, training and technical assistance; infrastructural investment in areas such as transport and communications to improve the economic environment for employment promotion; and special support measures to strengthen the capabilities of the poor and other under-privileged groups to enter productive self-employment. Such promotional measures could well be based on the experience of pilot projects.

(b) Special measures should be linked to, and consistent with, overall policy and institutional reforms undertaken to promote self-employment. In designing these measures it will be important to promote activities where sufficient demand exists for the goods and services produced and where it is anticipated that these activities will be able to meet the test of market viability unaided by subsidies. It will also be necessary to assess the extent to which promoted activities displace existing viable producers and are redundant in that they provide support to producers who would have emerged in any case. Nor should promotion be extended to producers failing to observe labour and social legislation.

(c) Improved access to credit, training and materials is an important element of direct promotional measures. Financial and training systems should therefore be reviewed to remove possible biases against the self-employed. Cost-effective credit and training programmes targeted on the current and potential self-employed should be designed and implemented, and successful programmes of this nature run by private organisations should be supported and strengthened. Training programmes should emphasise the development of basic business and vocational skills and entrepreneurship. Likewise, technical assistance programmes should aim at providing advice in the different fields of management development as well as at carrying out feasibility and economic studies.

(d) All these measures should be implemented equitably; they should not be biased in favour of the better-off in the self-employment sector nor favour men over women. The allocation of resources for promotion should be based not only on economic efficiency criteria but also on social priorities. As such, they should not be directed only to those incipient entrepreneurs most likely to succeed but also should be used as a means of raising productivity and earnings of low income self-employed workers and the nominal self-employed.

(e) Membership of co-operatives can constitute a significant form of self-employment. Special measures for the promotion of self-employment should therefore include the promotion of new co-operatives and the strengthening of existing ones, without disturbing their independence and their internal administration.

(f) Direct promotional measures should be effectively targeted on the poor and other disadvantaged groups. In order to be effective this may involve fundamental measures such as investment in human resource development (including basic education and training, housing, health and nutrition) and improved access of the poor and other disadvantaged groups to productive assets.

(g) Apart from a special focus on poverty groups, measures for the promotion of self-employment should also give special attention to: young persons,
particularly those seeking their first job; the long-term unemployed in the industrialised market economies; workers likely to be displaced by structural adjustment and economic reforms; and retrenched public sector employees.

(h) An institutional framework should be created which is conducive to collaborative and co-ordinated action by government and private agencies in the promotion of self-employment without being so rigid or cumbersome that initiative and pluralism are stifled.

(i) The capacity of relevant government ministries to plan, implement, monitor and evaluate policies and programmes for the promotion of self-employment should be strengthened, where necessary

(j) Employment and other public offices should expand the scope of their operations to include counselling on self-employment opportunities based on information obtained from appropriate national and local-level agencies. Advisory services on training and credit facilities for the self-employed could also be included.

17. Labour standards and social protection

(a) The coverage of appropriate international labour standards and national legislation should be extended to the self-employed and their employees. One area where the extension of protection is particularly urgent is that of industrial accidents and occupational disease. Protection of workers including the nominal self-employed against subcontracting arrangements and labour contracts leading to their exploitation should be instituted and enforced where not already the case.

(b) Labour and other regulations which confer exemptions to many small enterprises and self-employment units such as household enterprises should be reviewed periodically to determine whether they continue to be justified. While some measure of flexibility in the coverage of regulations may be required in order to allow for the special problems and circumstances of the self-employed, it is also important to guard against the danger of over-generous exemptions which will perpetuate and encourage the proliferation of substandard self-employment and allow intolerable exposure to hazardous working conditions. Therefore any extension of coverage should take into account both the feasibility of adopting mandatory sanctions and the promotion of voluntary compliance.

(c) Subject to realistic financial constraints, the current state of social protection for self-employed workers should be reviewed and measures instituted to raise the social protection of the self-employed to levels comparable to those enjoyed by wage employees. The priority contingencies to be covered are sickness, invalidity and old age, funded either by government, employers or other voluntary schemes. Governments should try to guarantee, by some redistributive or any other measures, that those self-employed unable to contribute, particularly the poorest, are duly covered.

(d) Social protection of the self-employed should be extended progressively to various occupations and professions in consultation with representatives of the self-employed. Protection under statutory social security schemes could be envisaged on a voluntary basis. Organisations of the self-employed including co-operatives also have an important role in initiating schemes based on voluntary contributions and self-help principles.

(e) Targeted assistance to promote entry into self-employment by disadvantaged groups such as the handicapped, indigenous peoples and the long-term unemployed can serve as a useful complement to general welfare programmes. They can contribute to breaking the cycle of poverty. Similar assistance to improve productivity, working conditions and incomes of disadvantaged groups already in self-employment will help to close the gap in employment conditions between the self-employment and regular employment sectors.

(f) The paid and unpaid employees of the self-employed are particularly vulnerable where the self-employment unit is operating close to the margin. Due attention must be paid to the extension of labour standards and social protection to the employees of the self-employed with a view to attaining
comparable levels of protection for workers in the self-employment and regular employment sectors.

(g) Where appropriate, greater protection is needed for unpaid family workers – especially children and contributing wives – who, in addition to receiving no direct compensation for their labour, are also not covered by most labour regulations or social protection. They may be further disadvantaged as a result of intra-household inequalities. The Minimum Age Convention, 1973 (No. 138), which concerns the admission of young persons to employment and to work, must be fully respected in this regard.

(h) Where they do not already exist, national tripartite consultative mechanisms should be set up to review the level of social protection of workers in the self-employment sector, to determine gaps in protection, and to seek practical means of extending protection so that these workers can enjoy levels comparable to those of workers in the regular employment sector.

18. Organisation of the self-employed

(a) The adoption and implementation of basic labour standards including freedom of association, where they have not yet taken place, is an absolute priority.

(b) The self-employed shall have the right to form their own independent and voluntary organisations, with the right to define their own roles and to choose the nature of their affiliations if any. National-level associations may be needed in order to provide a range of services including information on laws and regulations and professional advisory services. Such associations can also serve as a lobby for the interests of the self-employed.

(c) Employers' organisations should maintain their traditional role of facilitating the development of self-employment and micro-enterprises as well as providing the anchor for the future development of their own organisations.

(d) Governments, and employers' and workers' organisations should facilitate the formation and strengthening of organisations of the self-employed. Employers' and workers' organisations and co-operatives can encourage the voluntary accession of the self-employed to their associations.

(e) Trade unions in particular should make a special effort to improve the employment conditions of employees in the self-employment sector. They also have an important role in enabling certain dependent workers such as the nominal self-employed to become genuinely self-employed, gaining independent access to sources of supply, finance and markets through collective action.

(f) Co-operatives, as an important form of association of self-employed producers, should extend their role in strengthening the economic and bargaining power of otherwise vulnerable producers and in channeling assistance including training to the poor. Collaboration between trade unions and co-operatives can be mutually beneficial and should be promoted.

(g) Local government, in co-operation with business associations, trade unions, corporations, academic and other non-governmental institutions should assist associations and organisations of the self-employed.

Priority areas for ILO action

19. The promotion of self-employment, like all ILO action, has to be undertaken within the framework of ILO standards. There are five main areas in which ILO activities need to be developed and extended. Within the following areas the ILO should:

20. Overall policy framework

(a) Contribute to the formulation of overall policies and the creation of an enabling environment for productive self-employment. Policy research, advisory missions, and national projects concerned with employment planning and policies should devote special attention to the relationship between the overall policy and institutional framework and the growth of self-employment.
and the self-employment sector. This area of work will involve analysing the nature and extent of policy and regulatory biases and distortions which affect the potential for productive self-employment and the quality of employment in the self-employment sector. It will include a review of the effects of macro-economic and sectoral policies on the relative size and quality of wage and self-employment and seek to identify those policies which are conducive to the growth of productive self-employment.

(b) Undertake studies analysing the nature of self-employment growth in countries at different levels of development. These studies should document trends in productivity in different self-employment activities and their respective contributions to total growth in output. Those activities capable of generating desirable and productive work and the factors favouring their growth should be identified. On this basis effective strategies for promoting productive self-employment should be developed.

(c) Formulate recommendations as to how the promotion of productive self-employment could be used as an effective means of mitigating the social costs of structural adjustment. This should include studying the special problems of promoting self-employment in the transition economies of Eastern Europe as a basis for providing advisory services on policies and programmes for promoting productive self-employment.

(d) Disseminate information on the more successful experiences with promoting self-employment in an equitable manner and facilitate an exchange of national experiences especially at the regional level.

(e) Assist governments and the social partners to engage in a regular and substantive dialogue on the development of national strategies for the self-employment sector and on the macro and sectoral policies affecting the sector.

21. Data and analysis

(a) Promote the generation of more detailed and complete statistics and information on all aspects of self-employment and undertake further research on policy issues relating to the promotion of self-employment and the extension of social protection and labour standards to the self-employment sector. This will provide a sounder knowledge base for future discussions on the complex and new issue of the promotion of self-employment.

(b) Help national statistical offices to improve their collection of data on self-employment. To ensure international comparability it will be necessary to pursue the review of the international standard classification on status in employment to clarify distinctions between categories constituting the self-employed and the nominal self-employed.

(c) Assist in obtaining data on the employees of the self-employed, distinguishing them from other private sector employees in order to determine the size of the self-employment sector.

(d) Help in generating data on earnings, hours of work and conditions of employment of all workers in the self-employment sector which are required as a basis for developing employment policies and manpower planning. It is particularly important to explore methodologies for measuring income from self-employment so that the relative returns from wage employment and self-employment can be monitored.

(e) Assist in extending research on the range of forms and conditions of employment that lie between the extremes of autonomous self-employment and protected full-time wage employment. This will include further exploration of forms of nominal self-employment and sub-contracting arrangements as a step towards extending protection and recognition.

22. Special programmes

(a) Assist in the design of targeted promotional programmes and projects which improve the access of disadvantaged groups to the self-employment opportunities afforded by the overall economic, institutional and policy environment. The participation of the ILO is especially important for ensuring respect for basic labour standards and the selection of productive, potentially viable activities for support.
(b) Encourage a widening of the concept and application of labour market information systems to incorporate information on business developments including feedback on market conditions and possible saturation in particular occupations and branches of activity, as a means of identifying sectors with higher growth potential and thus guiding entry to productive self-employment.

(c) Continue its efforts in promoting the extension of institutional and non-institutional credit to poverty groups among the actual and potential self-employed.

(d) Develop innovative means of extending training, including basic vocational and managerial training and entrepreneurship development, to poverty groups, employees in the self-employment sector and the nominal self-employed in order to promote their successful entry into self-employment or other socially desirable forms of productive employment including wage employment. These may include group approaches, action and distance learning through mass media, the adaptation of training methodologies for trainees with low levels of literacy and the provision of training in basic bookkeeping to enable the self-employed to monitor better their economic activities. A special effort must be made to ensure that women are reached and that their particular constraints are taken into account in such programmes.

(e) Reinforce the ILO's role as a clearing house for information on appropriate technologies for use in self-employment activities and on effective programmes for upgrading technology in current self-employment activities. This outreach to the self-employed should involve advisory missions and support for technology centres as part of an effort to build up networks for widening access to relevant technologies.

(f) Analyse and disseminate information on successful national programmes for delivering assistance to disadvantaged groups and on strategies of direct intervention which have been more effective, with special emphasis on methodologies for assessing the viability of potential activities, for screening out non-viable ones and for evaluating the cost-effectiveness of programmes.

(g) Make a special effort to promote increased collaboration and the development of beneficial linkages between the public and private sectors in the monitoring and evaluation of promotional measures, taking advantage of its tripartite structure.

23. Labour standards and social security

(a) Prepare a classification of all Conventions and Recommendations directly applicable to the self-employed and publish it for the purpose of providing a guide for governments.

(b) Explore the law and practice with respect to the comparative coverage in national and international labour standards and regulations of the self-employed, the nominal self-employed, home-based workers and wage employees in both the self-employment and regular employment sectors. This is an essential step towards promoting the application of labour standards to all workers, and it would also allow a determination of whether additional standard-setting is appropriate.

(c) Review the effect on the volume and quality of employment of the exclusion of categories of self-employment units (such as family or other micro enterprises) from certain instruments and from the application of certain regulations.

(d) Identify and support innovative means of extending social security to the vast numbers of marginal workers in the self-employment sector. This requires research and consultation with governments on the most appropriate and cost-effective means of adapting those social security benefits originally conceived for full-time wage employment. This process of extending coverage should involve the participation of representative organisations of self-employed persons.

(e) Assist in establishing national tripartite consultative mechanisms, where they do not already exist, to monitor progress in the extension of appropriate labour standards to the self-employment sector.
24. *Organisation and promotional institutions*

(a) Continue to facilitate the spread of democratic, representative organisations of the self-employed, whether they take the form of trade unions, employers' or producers' organisations, co-operatives, or other forms of voluntary association. The ILO's valuable accumulated experience in this field, derived from performing its lead role within the United Nations system in promoting freedom of association and other fundamental human rights, should be brought to bear in this area.

(b) Analyse and support successful experiences of an outreach by employers' and workers' organisations to the self-employed and to the nominal self-employed especially by the bureaux for employers' and workers' activities in collaboration with the relevant departments of the ILO.

(c) Encourage the formation and extension of trade unions among the employees of the self-employed.

(d) Contribute to the development of mutually supportive linkages between enterprises, local governments, employers' organisations, trade unions, co-operatives, small business associations, technology centres, academic and training institutions, banks and other private institutions. The ILO can contribute: by taking account of them in carrying out its advisory services and technical co-operation activities; and by undertaking cross-country analyses of the elements in national and micro-level policies and institutional arrangements which support constructive interactions and hinder potential abuses.

V

**Resolution concerning the arrears of contributions of Romania**

The General Conference of the International Labour Organisation,

Having regard to paragraph 7 of article 10 of the Financial Regulations;

Accepts the arrangement proposed by the Government of Romania for the settlement of the arrears of contributions due for the period 1984 to 1989 to the effect that:

(a) in 1990 Romania will pay in full its contribution for the year 1990;

(b) in subsequent years Romania will continue to pay its current contribution in full in the year for which it is due;

(c) Romania will settle the arrears that have accumulated up to and including 31 December 1989, amounting in total to 2,875,816 Swiss Francs, by the payment of eight equal annual instalments of 359,477 Swiss Francs, beginning in 1990.

VI

**Resolution concerning the assessment of the contribution of the Republic of Yemen for 1991**

The General Conference of the International Labour Organisation,

In accordance with article 9, paragraph 2, of the Financial Regulations, fixes the rate of contribution of the Republic of Yemen to the 1990-91 Programme and Budget of the International Labour Organisation for 1991 at 0.02 per cent.

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1 Adopted on 12 June 1990.
VII

Resolution concerning the composition of the Administrative Tribunal of the International Labour Organisation

The General Conference of the International Labour Organisation,
In accordance with article III of the Statute of the Administrative Tribunal of the International Labour Organisation,
Extends the term of office of Mr. Jacques Ducoux (France) and the Honourable Miss Justice Carroll (Ireland) as judges for further periods of three years;
Decides to appoint as deputy judge of the Administrative Tribunal, for a term of three years from February 1991:
Mr. José Maria Ruda (Argentina).

VIII


The General Conference of the International Labour Organisation,

IX

Resolution concerning the acceptance of a gift by the Government of Côte d'Ivoire

The General Conference of the International Labour Organisation,
Accepts, pursuant to article 12, paragraph 1, of the Financial Regulations, the gift of the piece of land and structure in Abidjan made by the Republic of Côte d'Ivoire for the purpose of housing the premises of the ILO Regional Office for Africa, and expresses its deep gratitude to the Government of Côte d'Ivoire for its generosity.

X

Resolution concerning the Programme and Budget for 1990-91 and Working Capital Fund

The General Conference of the International Labour Organisation,
Decides that, as an exceptional measure and in derogation of article 21.2 of the Financial Regulations, not to add the amount of $2,161,224 representing the excess of budgetary expenditure over budgetary income in 1988-89 to Part III (Working Capital Fund) of the Programme and Budget for 1990-91.

1 Adopted on 12 June 1990.
XI

Resolution concerning the granting to Romania of permission to vote under paragraph 4 of article 13 of the Constitution of the International Labour Organisation

The General Conference of the International Labour Organisation,
Having regard to the terms of the financial arrangement adopted by the Conference at its present session for the settlement of the arrears of Romania;
Decides that Romania shall be permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organisation.

XII

Resolution concerning the arrears of contributions of the Lao People's Democratic Republic

The General Conference of the International Labour Organisation,
Having regard to paragraph 7 of article 10 of the Financial Regulations;
Accepts the arrangement proposed by the Government of the Lao People's Democratic Republic for the settlement of the arrears of contributions due for the period 1985 to 1989 to the effect that:
(a) in 1990 the Lao People's Democratic Republic will pay in full its contribution for the year 1990;
(b) in subsequent years the Lao People's Democratic Republic will continue to pay its current contribution in full in the year for which it is due;
(c) the Lao People's Democratic Republic will settle the arrears that have accumulated up to and including 31 December 1989, amounting in total to 122,568 Swiss Francs, by the payment of three equal annual instalments of 40,856 Swiss Francs, beginning in 1990.

XIII

Resolution concerning the granting to the Lao People's Democratic Republic of permission to vote under paragraph 4 of article 13 of the Constitution of the International Labour Organisation

The General Conference of the International Labour Organisation,
Having regard to the terms of the financial arrangement adopted by the Conference at its present session for the settlement of the arrears of the Lao People's Democratic Republic;
Decides that the Lao People's Democratic Republic shall be permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organisation.

1 Adopted on 12 June 1990 by 375 votes in favour, 0 against, with no abstentions.
3 Adopted on 25 June 1990 by 335 votes in favour, 0 against, with no abstentions.