



International
Labour
Organization

Towards a cooperative future

Rethinking Cooperatives in the contemporary context of Job Creation & Future of Work

24-25 November 2017

2nd Philippine Cooperative Managers Conference in Tagaytay

Hideki Kagohashi

Enterprise Development Specialist

International Labour Organization





International
Labour
Organization

***The hundredth anniversary:
2019
2031***

A banner for 'The future of work centenary initiative' with a background of abstract blue and red curved lines.

The future of **work** centenary initiative

FoW is a three-stage global research
-dialogue of the ILO towards 2019.

- Work and society
- Decent jobs for all
- The organization of work & production
- The governance of work

A poster for the event 'The Future of Work We Want: A Global Dialogue'. It features a background image of a person in a white hard hat and safety glasses looking up at a large, curved, metallic structure, possibly a bridge or a large pipe. The text is overlaid on the image.

THE FUTURE OF WORK WE WANT: A GLOBAL DIALOGUE

GENEVA, SWITZERLAND
6-7 APRIL 2017

"What can we reasonably expect the level of our economic life to be a hundred years hence?"

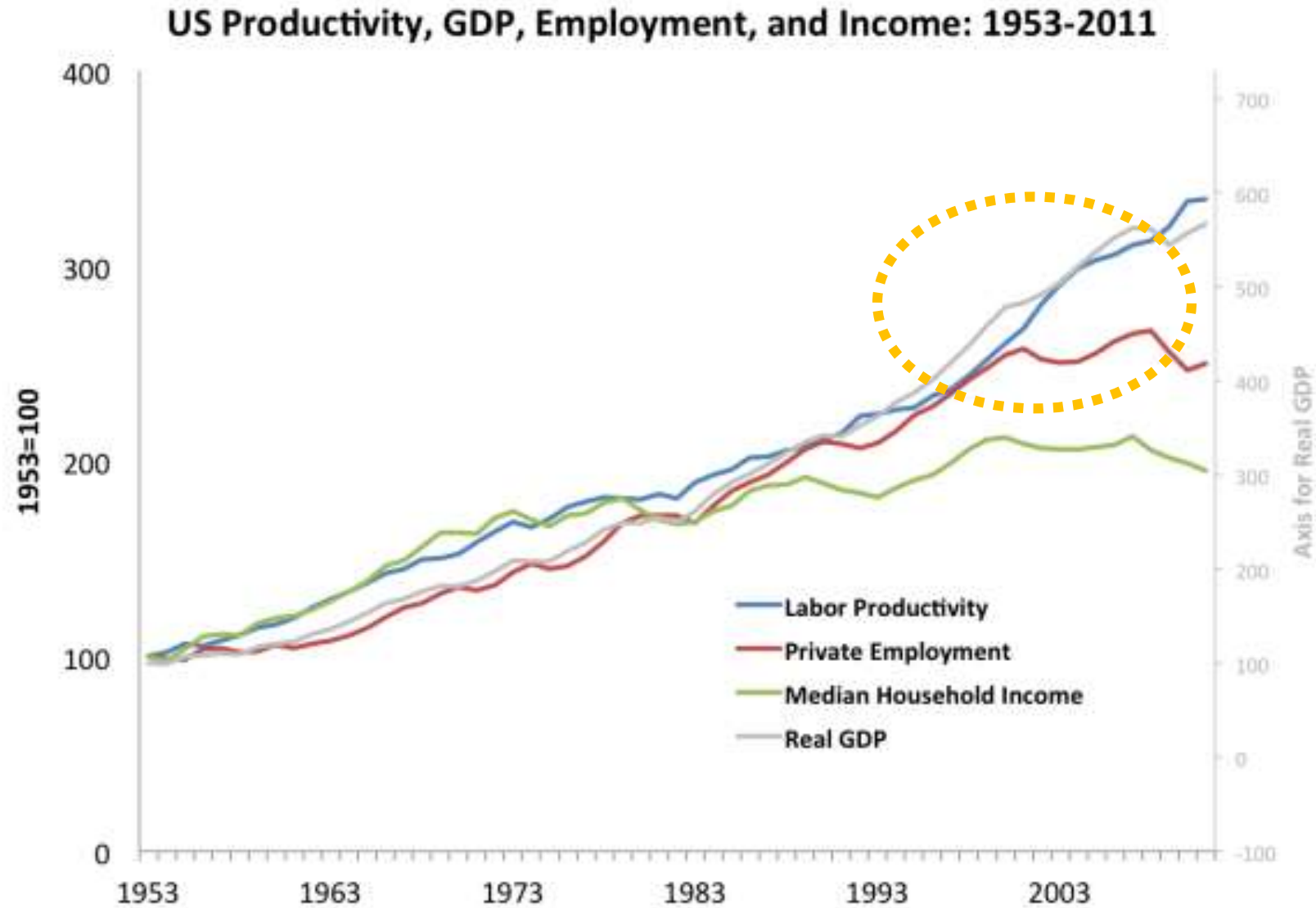
What are the economic possibilities for our grandchildren?"

John Maynard Keynes (1931)

The beginning of the job-slow growth



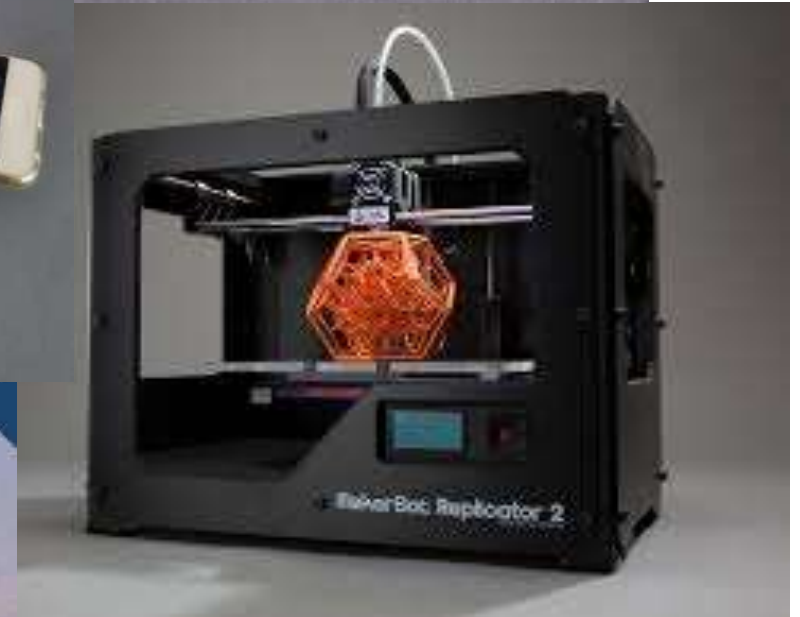
International
Labour
Organization



Technologies changing our lives already



International
Labour
Organization



With significant socio-economic impacts

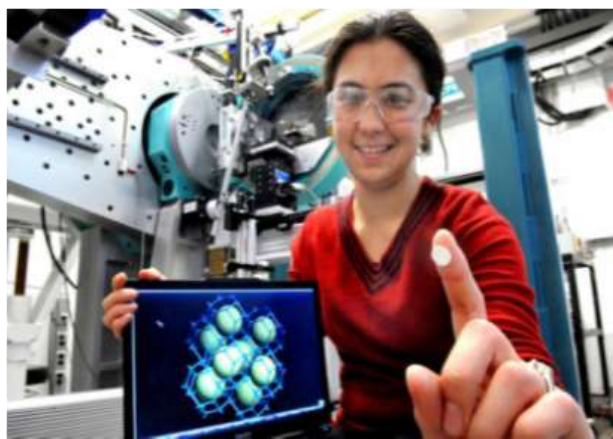
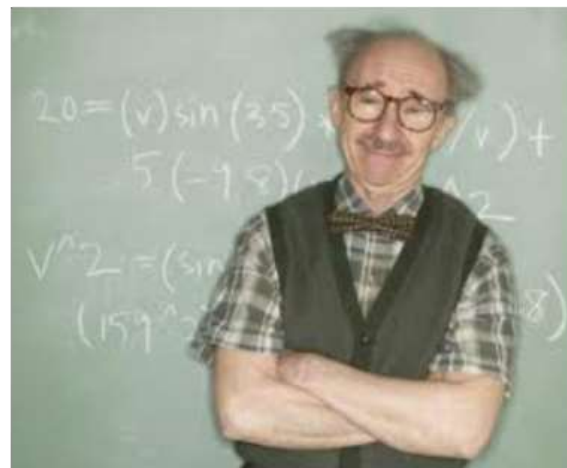
- Faster job creation and destruction
- Longer life, longer economically active years
- Further contractualization by gig economy
- Significant informal economy
- New forms of social protection, new social contract
- The Blockchain's C2C economy could further revolutionalize the changes



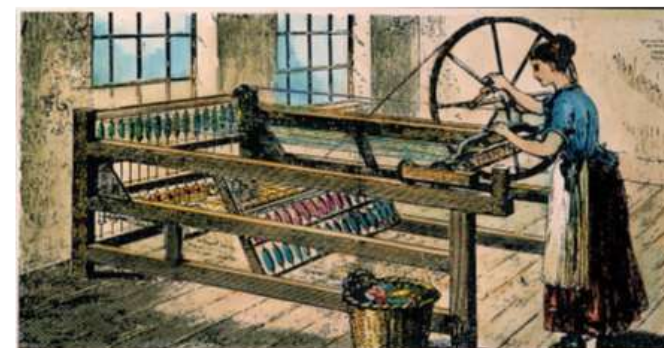
Routine, **medium-skill**
occupations now compete
with computers



Abstract, **high-skill**
occupations have benefited
from computers



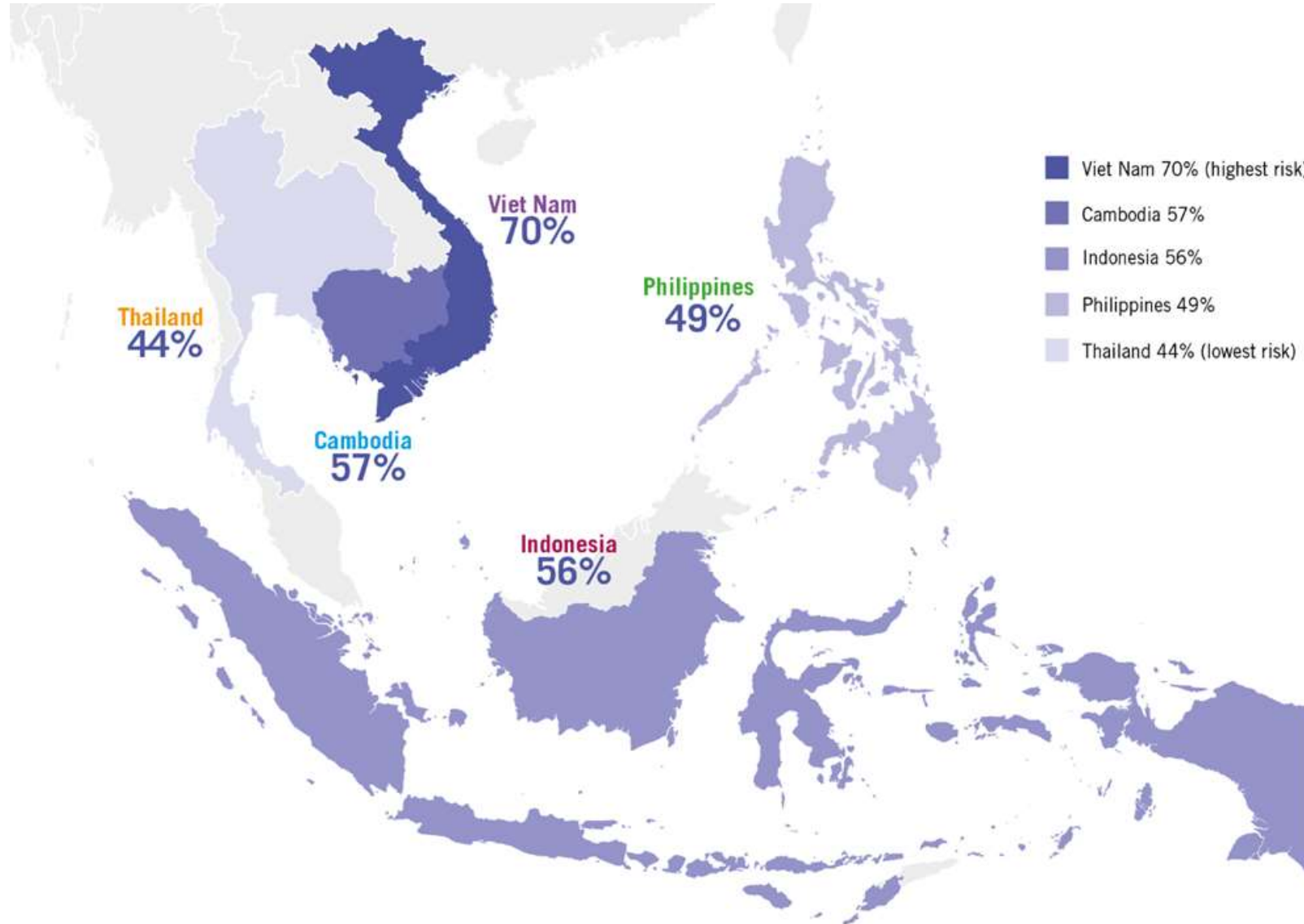
Repetitive, **low-skill** jobs
now being automated for
the first time



WAGE WORKERS AT HIGH-RISK OF AUTOMATION IN ASEAN-5 SIMULATIONS ON JOBS SUSCEPTIBLE TO DIGITALIZATION



International
Labour
Organization

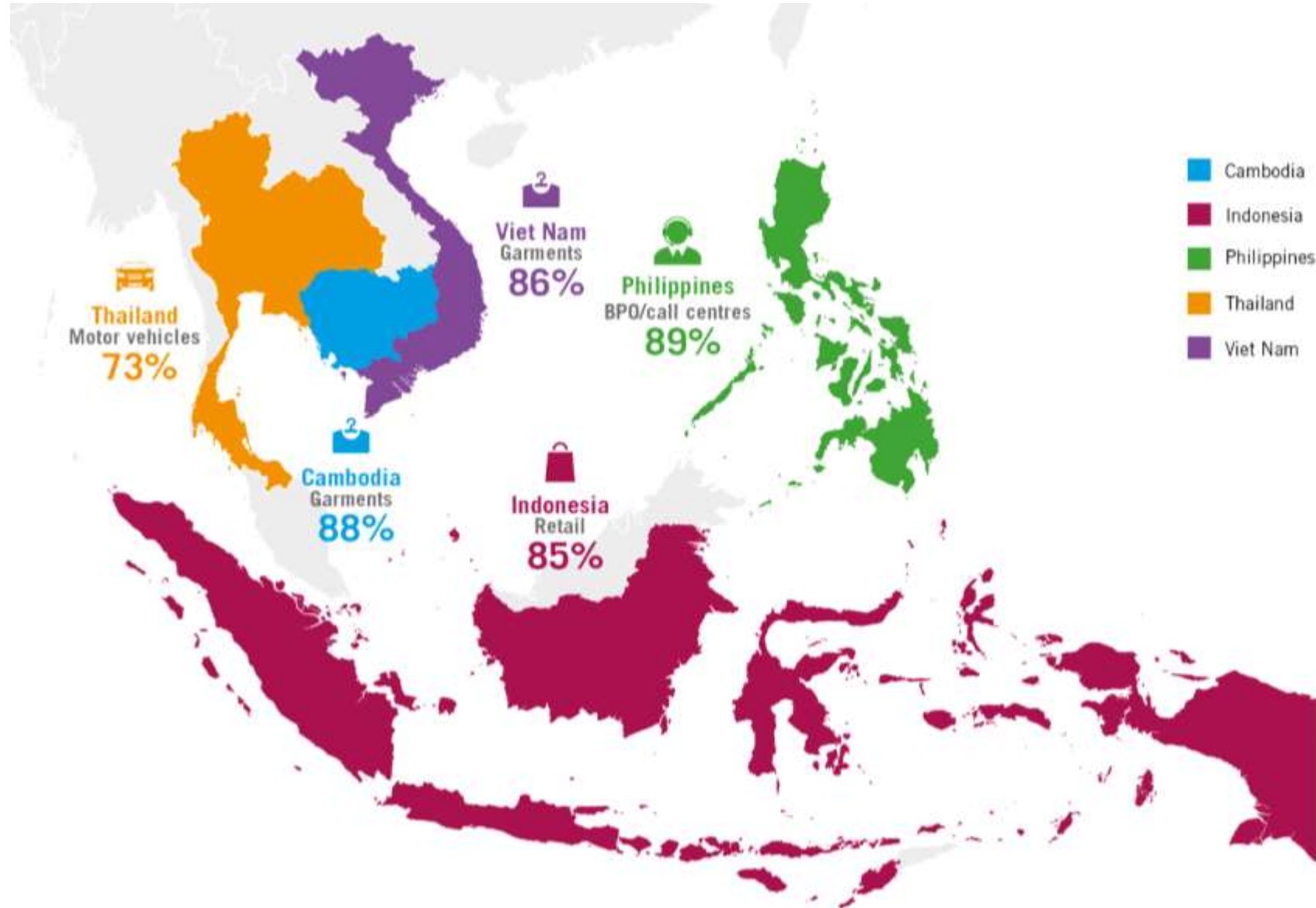


WAGE WORKERS AT HIGH-RISK OF AUTOMATION IN KEY SECTORS IN ASEAN-5

SIMULATIONS ON JOBS SUSCEPTIBLE TO DIGITALIZATION



International
Labour
Organization





International
Labour
Organization

Towards a cooperative future

Towards a cooperative future



International
Labour
Organization

- Significant co-op presence:
 - 2.94 million co-ops w/ 1.13 billion members
 - Generated 279.4 million jobs (9.46% of the world's employment):
 - 10% *in co-ops (co-op employees or worker-members)*
 - 90% *within the scope of co-ops* (mainly self-employed producer-members in agriculture)
 - the largest 300 cooperatives across 25 countries had a turnover of 2.5 trillion USD in 2015

Strong co-op presence in Asia Pacific



International
Labour
Organization

Total coop
membership
in Asia
**550
million**

Direct jobs
created in
Asia
**220
million**



Coops in the
Philippines
have
13 million
members

In Malaysia
27% of
the total
population are
members

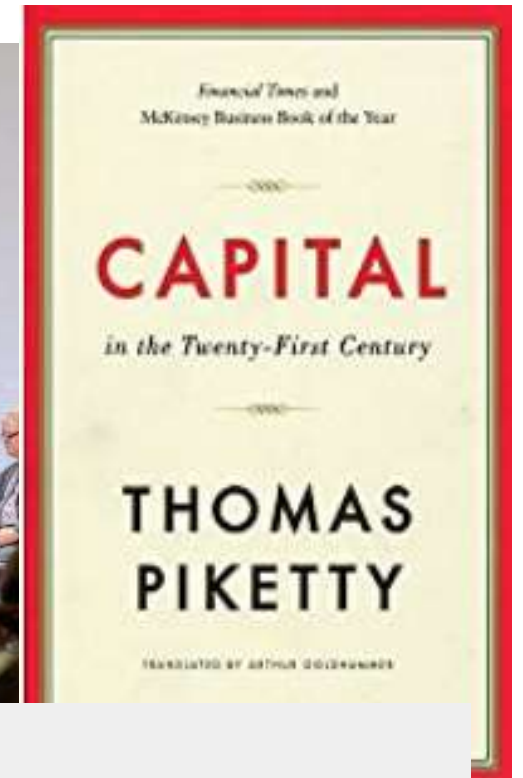
Coops in
New Zealand
produce
3% of
GDP

Towards a cooperative future (contd.)



International
Labour
Organization

- Rise of the Social & Solidarity Economy (SSE) out of the market/government failure



UN

Inter-Agency Task Force on
Social and Solidarity Economy

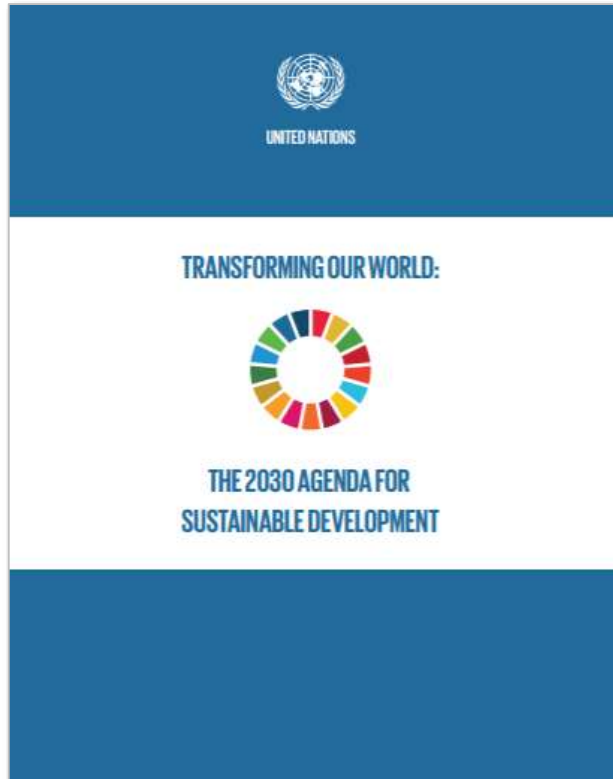
Cooperatives in outcome docs of the SDGs



International
Labour
Organization

- In the *SDG* outcome document as well as the *Financing for Development* outcome document ,

cooperatives acknowledged
within the private sector
as important actors
in implementation



G7 Labour and Employment Ministers' Declaration refers to cooperatives

- Some sectors more exposed to loss of jobs due to automation.
 - Coops can ...
- New jobs in the gig economy are becoming more intermittent and precarious
 - New co-op models (see slide 27-28)
- Digitization of manufacturing processes towards “co-op 4.0”



Towards a cooperative future (contd.)

- Co-ops can address the informal economy (IE) work and employment issues
 - Make the IE workers accessible to credit, education and training, affordable goods & services of basic needs and some social protection based on solidarity and mutual help
 - Help self-employed attain economies of scale and a higher bargaining power
 - As a TU organizing tool for the self-employed and freelancers
 - Worker co-ops as a direct solution to the formalization of informal employment
- FoW modalities (“platform cooperativism” and “commons”)

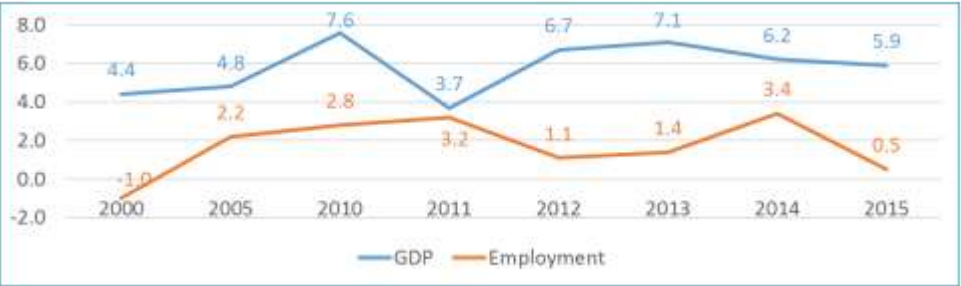
PHL labour market in a snap shot (ILO 2017)



International
Labour
Organization

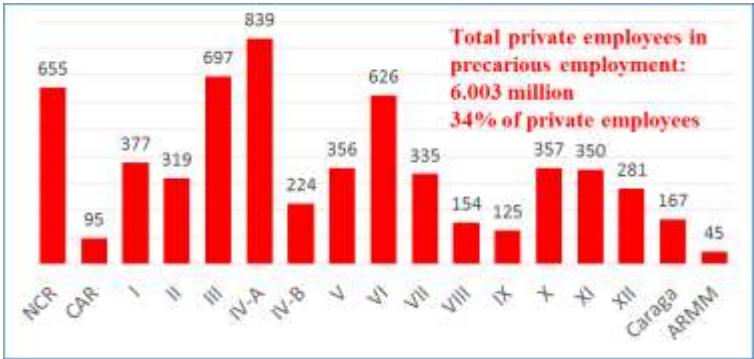
Job-slow growth

GDP and employment growth (in percent)



Growing precarious employment

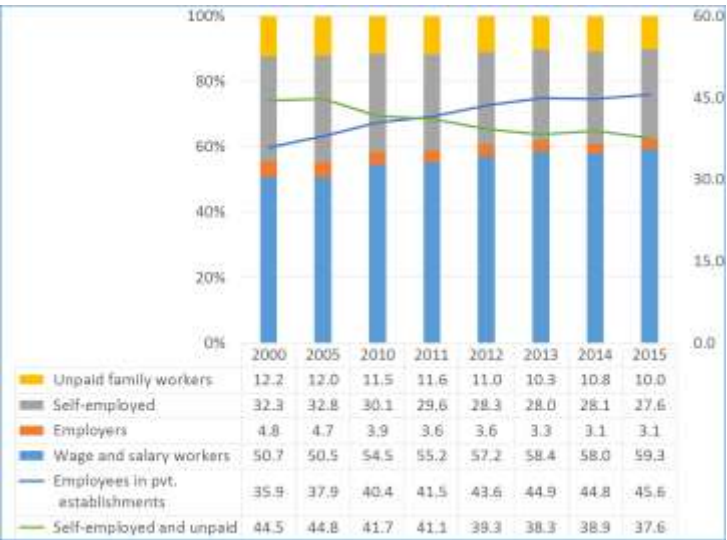
Employees in precarious employment (in thousands)



→ Continuing
reliance
on OFWs

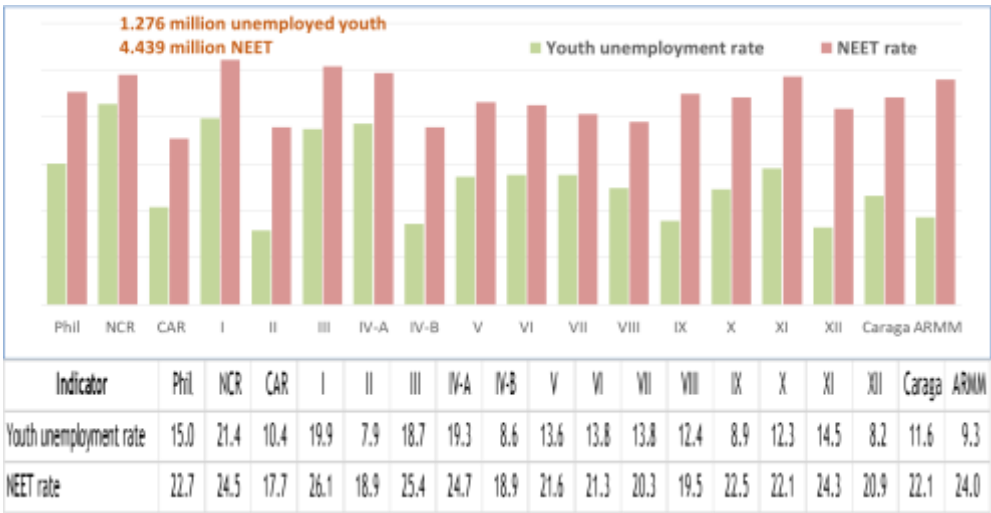
Decline in vulnerable employment

Employment by class of worker (in percent)



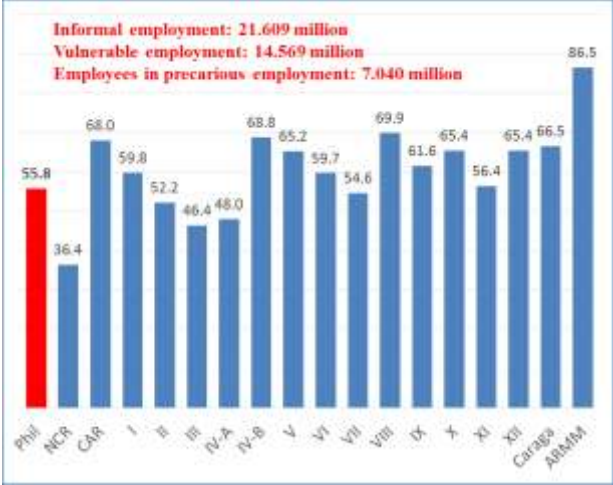
High youth unemployment & NEET rate

Youth unemployment and NEET rates by region (in percent)



Large informal employment

Informal employment (in percent)





International
Labour
Organization

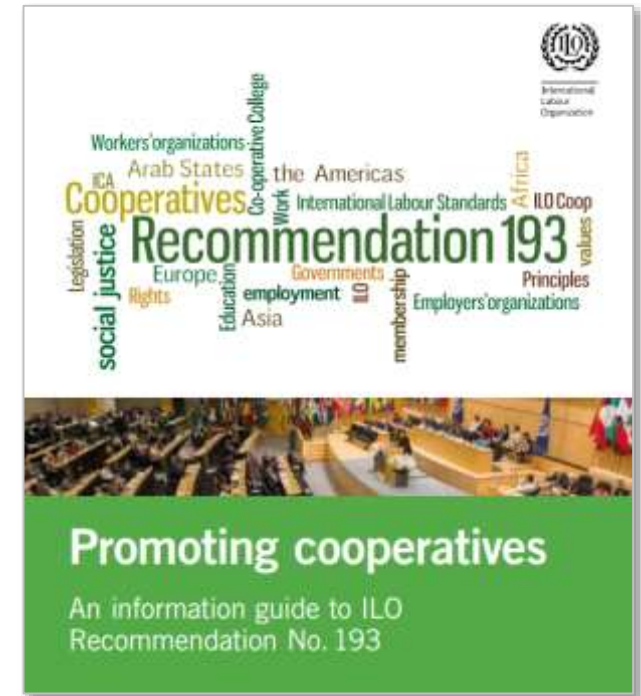
ILO's assistance to Co-ops

ILO Promotion of Cooperatives Recommendation, 2002 (No. 193)



International
Labour
Organization

- Recommendation No. 127 only focusses on developing countries and the enterprise nature of cooperatives was underemphasised
- Recommendation No. 193 applies to all types and forms of cooperatives in all the sectors of the economy
- Recognizes the ICA cooperative values and principles
- Provides guidelines on the role of governments, employers' and workers' organization to create enabling environment for cooperatives



The use of Recommendation No. 193



International
Labour
Organization

- At national level more than 100 countries have used the Recommendation No. 193 to review, revise or adopt policies or laws on cooperatives
- At regional and subregional level for uniform model laws (e.g. EU 2003, Latin America 2008, Mercosur 2008, OHADA 2006, East Africa 2016)
- At sectoral level (e.g. agriculture in Egypt)
- Integrating cooperatives to other policies (e.g. finance, SME, employment)
- These are not only confined to cooperatives but also include SSE policy and regulations

Operational areas



International
Labour
Organization



Outcome 4: Promoting sustainable enterprises

Global Legislative and policy guidelines
ILO Recommendation No. 193 (2002)
Cambodia, China, Indonesia, Vietnam,
Philippines

Supporting national strategies on developing and
strengthening cooperatives
Drafting and validation
oPt, Sri Lanka

Value chain development through
cooperatives (Sri Lanka)
AusAid funded Local Empowerment
through Economic Development (LEED)
Project

Cooperative statistics (Iran, South
Korea and the Philippines)

Study tour (Japan)

ILO-JCCU study tour for African
cooperative leaders

Capacity building (South Korea)

ILO's SSE Academy in South
Korea in 2017

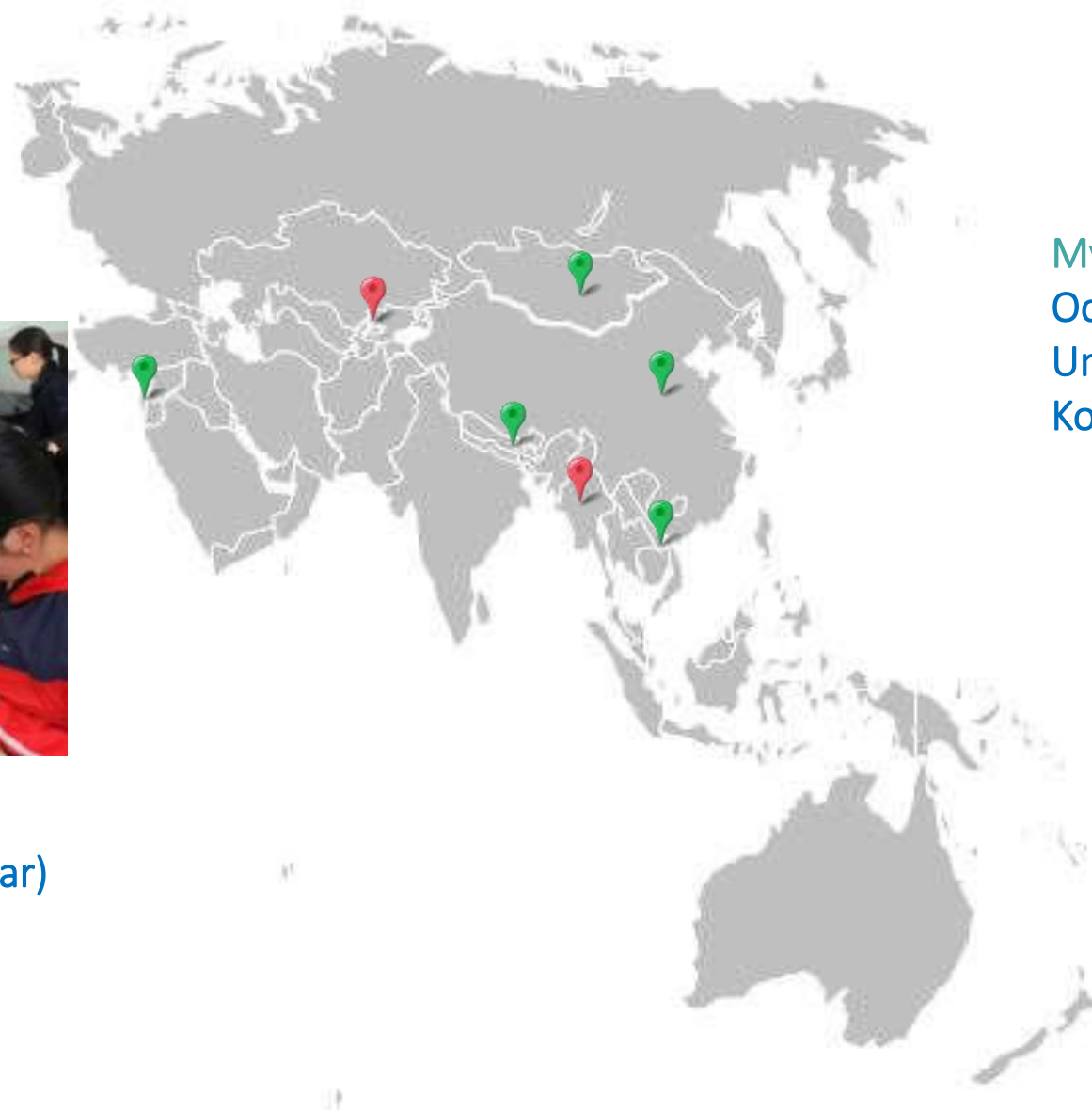


Outcome 5: Decent work in the rural economy

📍 My COOP (China, Viet Nam, Mongolia, Nepal, oPt, Indonesia)



📍 Potential for My.COOP (Myanmar)



My.Financial.COOP (ACCU and the Oceania Confederation of Credit Union Leagues as partner, South Korea as potential partner)

Outcome 6: Formalization of the informal economy

Waste picker cooperatives

- Representation of waste picker coops at the ILC 2014 and 2015
- Tackling informality in e-waste management
- Replication of waste picker cooperative model ([India](#)) in West Asia and the Balkans
- Joint ILO & WIEGO mapping of home based workers and waste picker cooperatives



Home based worker cooperatives ([Indonesia](#))

Access to employment & decent work for women home based worker cooperatives (MAMPU Project)



ILO engagement with ICA ministerial conference April 2017 ([Vietnam](#))

- Coop statistics
- Coop legislation
- Future of work
- 2030 Development agenda
- Formalization of informal economy

Outcome 9 : Promoting fair and effective labour migration policies

Policy dialogue on fair recruitment of migrant domestic workers through cooperatives (Lebanon , Jordan, Kuwait)



Pilot initiatives on fair recruitment for migrant workers through cooperatives (Philippines, India)

Pilot initiative on cooperative responses to refugee crisis (Jordan)



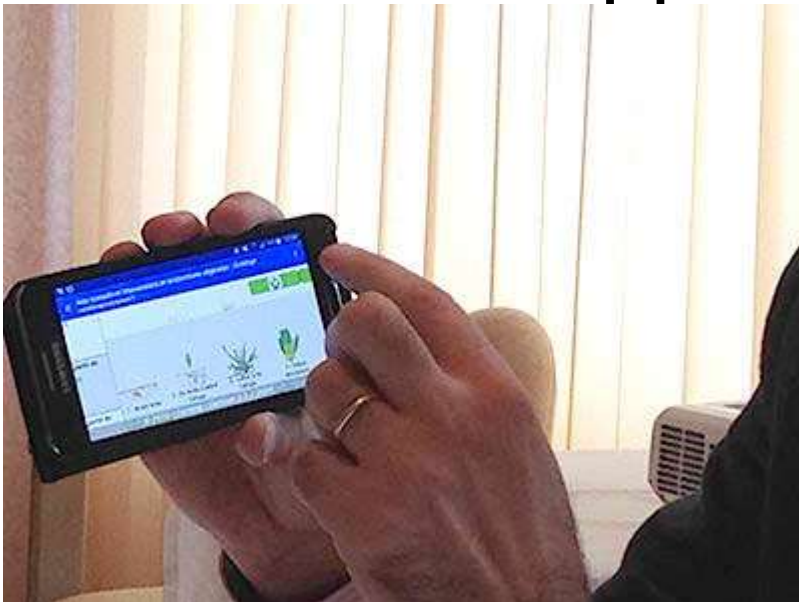
TERRENA co-op moving to scale & technology



International
Labour
Organization



- A vertically integrated conglomerate-like ag co-op with well-known food brands
- Over 29,000 farmers and 15,800 employees
- Satellite image-based big data analytics to support input and farm operation planning
 - Farmers access to TERRENA's services through smart phones
 - 6 system engineers developing its own decision-making assistance tools



The “platform cooperatives”

- = Digital platforms collectively owned and democratically governed by the workers in the gig economy

**Nurses Join Forces With Labor Union
to Launch Healthcare Platform Cooperative**



This cooperative of licensed nurses in California uses online platform to allow clients to reach a nurse directly through an online application

"Cooperatives with their people-centred focus, and founded on solidarity and members' ownership, are well-placed to be vehicles for bringing about more inclusive societies and economies"

ILO Director-General Guy Ryder



International
Labour
Organization

Thank you for your attention

coop@ilo.org





International
Labour
Organization

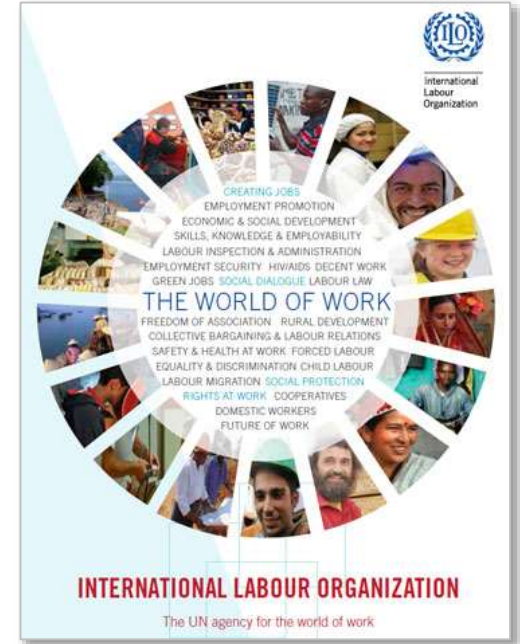
Appendix: ILO and co-ops

International Labour Organization (ILO)

- The oldest UN specialized agency since 1919 responsible for world of work issues
- 187 member states
- 4 strategic objectives: standards, employment, social protection, social dialogue
- 4 pillars of the Decent Work Agenda: employment creation, social protection, rights at work and social dialogue



International
Labour
Organization



ILO and cooperatives

- From its creation, the ILO has recognized the importance of cooperatives as a means of implementing its mandate to achieve social justice and full employment
- It remains the only specialized agency of the UN with an explicit mandate on cooperatives
- It has a Cooperatives Unit since 1920
- The ILO Constitution gives cooperative organizations a consultative status

History of cooperatives in the ILO



International
Labour
Organization

Year	Events
1919	Albert Thomas, a French cooperator became the ILO's first Director
1920	Establishment of the Cooperative Service at the Office
1937	The first ILO "technical assistance" project on the development of farmer cooperatives in Morocco
1960	Expansion of technical cooperation projects on cooperatives
1966	Recommendation No. 127 is adopted (only for developing countries)
1971	Establishment of COPAC by ILO and FAO
1998	ILO's Decent Work Agenda is launched
2002	Recommendation No. 193 is adopted (applicable for all countries)
2004	ICA and ILO sign a Memorandum of Understanding under the MDG framework
2010	The first ILO/JCCU study tour for African cooperative leaders
2012	UN International Year of Cooperatives
2015	ICA and ILO sign an MoU to advance the 2030 development agenda via cooperatives
2016	International Cooperative Summit adopts a statement to the UN on cooperative movement commitment to achieving the SDGs including through the SDG8

ILO Cooperatives Unit

- ILO services on cooperatives and other social and solidarity economy enterprises (SSEEs) are managed through the COOP Unit in the Enterprises Department
- COOP Unit services ILO constituents directly or through ILO's enterprise specialists in its field offices in close partnership with cooperative and SSE movements