RESOLUTIONS adopted by the
International Labour Conference at its 75th Session
(Geneva, June 1988)

I

Resolution to place on the agenda of the next ordinary session of the Conference an item entitled “Partial revision of the Indigenous and Tribal Populations Convention, 1957 (No. 107)”

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 the partial revision of the Indigenous and Tribal Populations Convention, 1957 (No. 107);
Decides that the question of the partial revision of the Indigenous and Tribal Populations Convention, 1957 (No. 107), shall be included in the agenda of its next ordinary session for a second discussion with a view to the adoption of a Convention.

II

Resolution concerning rural employment promotion*

The General Conference of the International Labour Organisation,
Having taken note of Report VII on rural employment promotion;
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 workers’ and employers’ organisations;
(b) to take these conclusions into account in preparing the Programme and Budget Proposals for 1990-91 and future biennia, and in preparing or revising future medium-term plans for the Organisation.

CONCLUSIONS CONCERNING RURAL EMPLOYMENT PROMOTION

INTRODUCTION

1. Global unemployment and underemployment are the challenge of our time in the present context of growing population and increased urbanisation. Underutilisation of labour, and the associated problem of poverty, affect many countries at all levels of development. These difficulties have been compounded by an increasingly difficult international environment. The problem is particularly acute in developing countries where decades of unbalanced development have contributed to limiting the capacity of the urban and modern sectors of the economy to generate sufficient employment and economic growth. The debt problem, declining commodity prices, fluctuating exchange rates and protectionism have led to a drastic reduction in export earnings and in the import capacity of developing countries. Faced with this situation, many countries have had to adopt structural adjustment programmes which have affected employment prospects, at least in the short term. In the search for a solution to the employment problem, rural econo-
Economic growth provides the most desirable environment for employment creation and should be accompanied by income growth in particular for the poorest sections of society.

2. Looking ahead, there are challenging tasks to be undertaken. The relationship between agricultural policies of developed countries and the export earnings of, and employment in, developing countries require a more liberal approach to trade in the developed countries. In industrialised market economies an important issue which needs to be confronted relates to the costs and benefits of alternative policy options to deal with agricultural surpluses, protection and food prices. An awareness of problems connected with international trade should be encouraged at all levels within these countries. The results of significant changes in international trade would be complex and would vary between countries and within countries. It can be expected that change would have implications for employment and employment promotion policies in both developed and developing countries.

3. In centrally planned economies the current initiatives towards reform may have far-reaching implications for agricultural productivity and employment. A major issue in this respect relates to the optimum organisational structure and the institutionalisation of the recent reforms. These reforms aim at the expansion of technological innovations with a view to increasing efficiency and labour productivity in agriculture. Such changes would release labour for industry and services and would increase the supply of food for the urban areas.

4. In developing countries the rapid increase of population and the labour force will continue in the foreseeable future. There is sufficient evidence that agriculture alone will not be able to absorb the increase in the labour force, even under the most optimistic scenarios. Major reorientations in social and economic policies will be required to create the appropriate framework for the increase in employment opportunities and incomes of the rural population, who are generally poor, in the agricultural as well as the non-farm economies of developing countries. The lessons of past experience, together with the present difficult international environment, emphasise the need to devise new development strategies at the national and international levels in which the crucial role of the rural sector is fully recognised, and to create more favourable macro-economic conditions for the rural sector. Under the present conditions, in many countries, revival of growth itself requires acceleration of agricultural growth and development of trade linkages between agriculture and industry. There is also an urgent need to increase income growth, to combat mass poverty, unemployment and underemployment in rural areas and to bring about an equitable distribution of the benefits of growth. In pursuing such a strategy, particular attention should be given to closing the rural-urban gap through the creation of appropriate infrastructures, and to the full participation of women.

5. While the challenges of employment are great, taking a forward look points to increased opportunities. There are signs of gradual recovery from the global recession of the early 1980s. Major technological innovations are now being adopted in agriculture, offering encouraging prospects for raising productivity and increasing incomes and employment, but at the same time in some cases exposing workers to new hazards and risks to employment. It is necessary that workers should be adequately protected against potential occupational hazards, for example, chemical and biological hazards deriving from those innovations. There is a growing awareness that efforts at the international level should be directed at protecting the poor, especially the rural poor, against the shocks of negative international developments. All these trends point out the opportunities that exist in facing up to the challenge of global unemployment and underemployment.

6. All countries, whatever their level of development, and whatever their economic and social systems, need to give greater attention to the contribution that the development and modernisation of rural areas can make to overall...
growth, to balanced economic and social development, and to the solution of their employment problems.

7. Countries should ensure that:

(a) strategies and policies for growth and development lead to a better balance between rural and urban areas, and to a strengthening of the linkages between agriculture and industry. The rural sector, including agriculture, plantations, forestry, animal husbandry, fisheries and non-agricultural enterprises, can make an important contribution to industrial development as a supplier of food and raw materials, as a market for local industrial products and as a provider of investible surplus in rural areas. Small and medium-sized enterprises should be promoted in accordance with the conclusions adopted by the Conference at its 72nd Session (1986) concerning the promotion of small and medium-sized enterprises. Appropriate policies regarding prices, credit, taxation, technology, investment and institutional development should be considered, taking into account their social implications. Rural workers’ organisations should be promoted in accordance with the Rural Workers’ Organisations Convention, 1975 (No. 141);

(b) adequate opportunities for gainful and productive employment in farm and non-farm activities, particularly for youth, are provided to the inhabitants of rural areas so as to improve the standard of living in these areas, and to stem the exodus of the rural population to the large cities. The special needs of vulnerable and disadvantaged groups such as the handicapped should be accorded appropriate attention. Special consideration should also be given to indigenous and tribal populations;

(c) policies for overall rural development make adequate provision for hydraulic, electrical, communication and other infrastructural development as well as health, housing, education and cultural services, thus reducing the gap in living conditions between rural and urban areas;

(d) every effort is made to provide seasonal, part-time, casual and migrant workers and contract labour with adequate social protection and working conditions. Every effort should also be made to create alternative employment opportunities during the rest of the year. In this connection, attention should be given to the ratification and full implementation of the Fee-Charging Employment Agencies Convention (Revised), 1949 (No. 96);

(e) women’s central role in rural development is fully recognised and women are given equal access to basic resources, productive assets and property rights. In recognition of women’s double work burden related to employment and family responsibilities, measures to provide them with adequate social services and appropriate technologies should be given priority. In parallel, non-traditional productive activities for women should be supported and women’s access to decision-making institutions should be facilitated;

(f) agricultural policies, including pricing policies, are so designed as to increase productivity, ensure sufficient supply of food to all people, and provide adequate incentives and incomes to food producers, particularly in developing countries;

(g) every encouragement is given to the development of rural non-farm activities (including rural industries and services) which can on the one hand provide locally many of the goods, services, infrastructural facilities and equipment needed for agricultural growth and employment, using local resources and locally produced inputs to the maximum extent possible, and on the other hand provide employment and incomes to a significant section of the rural labour force. In this context, encouragement and assistance needs to be given to the growth of enterprises in rural areas, especially small and medium-sized ones and co-operatives, ensuring them adequate access to capital, credit, equipment, markets and skills;

(h) policies for education, vocational training and technical advisory services, available on a continuing basis, and human resource development are so designed as to provide rural populations, including youth, women and children, with the skills and aptitudes required for productive employment, both in the farm and non-farm sectors, in rural areas;
provision is made for the progressive extension of social security, retraining and other measures to assist the rural population in finding alternative employment opportunities whenever they are affected by changes in the economic environment;

representative organisations of employers and workers are consulted in the design and implementation of policies, programmes and projects for overall rural development. Encouragement should also be given to local initiatives for employment. In conformity with the Rural Workers' Organisations Convention, 1975 (No. 141) and Recommendation (No. 149), member States should encourage the growth of strong rural workers' organisations, and should take appropriate measures for the ratification and application of those instruments;

due attention is given to the protection and rehabilitation of the rural environment and particularly to addressing the problems of soil deterioration and erosion, so as to provide the basis for sustainable development and employment growth in rural areas; and

where rural employment promotion requires the introduction of technological change and innovation, due attention is paid to rural workers' health and safety, including their protection against chemical and biological hazards.

**Developed countries**

8. In industrialised market economies, important issues include the costs and benefits of alternative policy options aimed at a more liberal trade in agricultural products, a reduction in agricultural surpluses and a diminished production-stimulating support with a view to reducing the budgetary burdens of such support and to further opening up markets for developing countries. In this context consideration should be given to policies designed to:

- minimise the potentially negative effects, particularly on the poorest regions and the poorest segments of the populations;
- encourage the development of small and medium-sized enterprises to provide jobs for the farmers and agricultural workers affected;
- promote the protection and preservation of the rural environment;
- discourage rural exodus leading to more unemployment in urban areas; and
- take measures to ensure appropriate food security. Member States should extend social security, training, retraining and other measures to facilitate labour mobility particularly during the transitional phase. Innovative policies in this respect should aim at increasing employment opportunities in the rural areas so as to contribute to a reduction in overall unemployment.

9. The recent developments in centrally planned economies pose a challenge for planners and policy-makers. Attempts at reform and restructuring must give agriculture an important place in future development. These countries, in introducing new policy measures for increasing efficiency and labour productivity in agriculture, should focus on:

- reforms concerning prices, methods of labour remuneration, and organisation of work;
- the introduction of institutional changes that guarantee greater farm autonomy and decentralisation in decision-making and access to ownership of land in accordance with national legislation;
- policies to assist workers who may be displaced as a consequence of the reforms; and
- appropriate support to the creation of small and medium-sized enterprises in rural areas. These countries should also focus on further increasing their imports of agricultural products from developing countries.

**Developing countries**

10. The acute situation in developing countries, reflected in massive unemployment, underemployment, poverty, malnutrition and high child mortality rates, requires the assignment of a central role to rural employment promotion. This is particularly important in view of the difficult international environment which has prevailed since the early 1980s. Given the decline in resources available to these countries due to the debt servicing burden, the fall in commodity prices, rising interest rates and trade barriers, member States should mobilise the political will to adopt policies and programmes in support of a rural employment-oriented strategy of development, aiming at the alleviation of rural poverty, the creation of
income generating activities and the improvement of the socio-economic well-being of rural people. This should include the following elements:

(a) in defining their national development strategies, particularly in the context of structural adjustment and the need for recovery, member States should give priority to employment promotion, economic growth and modernisation of the rural sector. Structural adjustment programmes should be so designed as to improve the productive potential of undertakings of all types and increase the productive and income-earning capacity of the weakest groups. The rural sector’s share in investment and public expenditure, especially in the development of infrastructure and social services, should be commensurate with its relative importance in population and poverty. Furthermore, pricing, subsidy and other macro-policies should be so designed as to provide adequate incentives to rural producers and to develop market linkages between the rural and urban sectors;

(b) in designing population policy, priority should be accorded to the promotion of family planning based on education complemented by family and child health care measures and basic literacy in rural areas;

(c) in order to bring about a more balanced spatial distribution of population, and mitigate the impact of excessive urbanisation, member States should give consideration to the development of small and medium-sized towns and the encouragement of small and medium-sized agro-industrial enterprises, including those processing plantation crops;

(d) member States should design an employment-oriented strategy of rural development that aims at promoting labour absorption in both the farm and non-farm sectors. The non-farm sector must play a key role in this strategy;

(e) the promotion of labour absorption in agriculture requires designing an integrated set of programmes in support of smallholders aiming at increasing productivity and employment of this important sector. Such programmes should include the adoption of policies which stimulate crop diversification and the diffusion of high-yielding varieties, appropriate farm equipment, biotechnological innovations and the results of agricultural research, paying due attention to the environment as well as to the health and safety of rural workers, including their protection against occupational hazards; the provision of adequate credit, extension, training and marketing services; the allocation of public investment to irrigation development, and the adoption of programmes of subsidies and credit to enable smallholders to make fuller use of their land through irrigation. In cases where very small holdings are unproductive or inefficient because of their size, voluntary consolidation of holdings or production units should be encouraged so as to optimise production and marketing;

(f) the right to freely chosen employment and to own property should be recognised. In certain situations, agrarian reform involving redistribution of property rights in land in favour of the landless or small producers, would assist the modernisation of agriculture, employment opportunities and equitable rural development. Wherever appropriate, such reforms should be undertaken within the context of an overall rural development strategy, with the objectives of promoting optimum use of land and facilitating the application of appropriate new technologies, and should be carried out through just legal procedures, providing effective and equitable compensation and access to independent judicial process for those adversely affected. Such reforms would need to be accompanied by measures to improve facilities for credit, input supply, marketing, training and extension services. Since in many countries different types of property title coexist, there should be legal security of property and/or tenure;

(g) the development of a dynamic non-farm sector (rural and agro-based industries and services) requires: (i) designing innovative policies to provide incentives for the channelling of agricultural resources into value-adding non-farm enterprises; (ii) creating infrastructure and other facilities including credit, training, marketing and technology; (iii) stimulating and respecting various organisational forms of production in conformity with basic human rights; and
(iv) implementing complementary policies to support and legitimise the role of the informal sector with access to financing, appropriate technologies and enterprise skills;

(h) any direct employment creation programmes that may exist should lead to an increase in the bargaining power of rural workers, and ensure adequate remuneration and, where applicable, social protection through legislation for both men and women. In this context, priority should be given to the ratification and full implementation of the Minimum Wage-Fixing Machinery (Agriculture) Convention, 1951 (No. 99);

(i) in designing and implementing rural employment policies, special attention should be paid to enabling women's full participation in the development process. In particular, emphasis should be given to: (i) ensuring their equitable access to training, employment extension services and productive assets including land; (ii) enforcing equality of pay and guaranteeing social protection; (iii) encouraging women's full integration into rural workers' organisations on the basis of a recognition of their particular needs and concerns and ensuring their full participation and influence in rural development processes, including through women's organisations in the service of the community; and (iv) encouraging and promoting women's participation in small and medium-sized enterprises in rural areas;

(j) national strategies should take full account of the basic needs of the rural population with a view to closing the gap between urban and rural living standards;

(k) the success of rural employment strategies requires full participation by rural workers and employers through their freely chosen organisations in all phases of planning, implementation and evaluation. Within this context, member countries are called upon to increase efforts to step up the ratification and application of ILO instruments concerning the rural sector, especially the Rural Workers' Organisations Convention, 1975 (No. 141), and Recommendation (No. 149), the Plantations Convention, 1958 (No. 110), and the Tenants and Share-croppers Recommendation, 1968 (No. 132);

(l) encouragement of rural workers' and employers' organisations to participate more fully in the organisation of services for people's health care; literacy; training; the provision of safe drinking water, electricity, communications and other facilities to the villages; group-based credit programmes for the poor; and the promotion of workers' education for strengthening their active participation in rural workers' organisations;

(m) production, marketing, credit and other types of rural co-operatives have a major role to play in promoting employment, development and self-sufficiency. The rural population should have free access, democratic control and independence from any external interference in the creation and functioning of co-operatives. Their development should be encouraged, in conformity with the Co-operatives (Developing Countries) Recommendation, 1966 (No. 127). Efforts should be made to develop training, credit, marketing and other facilities to enable co-operatives to mobilise local resources and increase the access of the rural population to productive resources and services;

(n) policy-making is often constrained by the lack of relevant data, particularly on rural employment and incomes. Member countries should undertake determined efforts to improve the data base for policy-making particularly by providing information disaggregated by sex and by rural and urban sector separately;

(o) care should be taken to ensure that all appropriate research data are communicated to the local level so that they can be utilised and their benefits realised; and

(p) existing programmes should be evaluated and the lessons learned taken into account for application in future programmes.
INTERNATIONAL ACTION

11. Recognising the need to improve the international environment for developing countries, and taking account of the Conclusions adopted by the High-Level Meeting on Employment and Structural Adjustment and the special responsibility of the ILO in the United Nations system for labour and social matters including the promotion of full, productive and freely chosen employment and its responsibility to examine and consider economic and financial policies in the light of their impact on employment and social conditions, the Conference calls upon the international community:

(a) to take the necessary steps for a more liberal international trade, avoiding distortions, together with appropriate protective social policy measures;
(b) to find a solution to reduce the debt burden of developing countries;
(c) to facilitate increased flows of capital and aid; and
(d) to develop mechanisms for the transfer to developing countries of appropriate technological innovation, including biotechnology, and the use of raw materials for industrial processing.

THE ROLE OF THE ILO

12. In view of the impact of macro-economic policies, especially those aiming at economic reform and structural adjustment, on employment and livelihood of the rural population, the Conference urges the ILO to reassess present research on the interlinkages between macro-economic policies and employment and poverty in the rural areas with a view to undertaking innovative, original applied research on these topics. The main objective of this research should be to provide sound advisory services and data to ILO constituents in order to assist them in promoting growth strategies for recovery.

13. The ILO should, within its field of competence, combine research, advisory services and technical co-operation to strengthen its assistance to member States in the following areas:

(a) the design of strategies aiming at increasing labour absorption in rural areas through the promotion of growth linkages between agriculture and the non-farm rural economy. Such strategies should aim at increasing productivity in both sectors through the adoption of innovative and appropriate technology and the promotion of new enterprises. The ILO's work should include: (i) documenting and disseminating knowledge on the appropriate macro and micro policies for promoting economic growth, labour absorption and productivity in agriculture and the non-farm economy; (ii) studying the methods of strengthening the agriculture/non-agriculture linkages in the rural areas; (iii) the formulation of alternative options for employment promotion policies, particularly for the least developed countries; (iv) studying the impact on rural employment and production of different systems of ownership; (v) documenting and studying the ways of developing rural-urban linkages as well as linkages with the non-traditional export markets; and (vi) studying the impact of structural adjustment programmes on employment and food security. The ILO should advise governments on the employment aspects of alternative adjustment programmes, particularly in the least developed countries;

(b) the promotion of employment in the rural non-farm economy, this being a crucial element in the promotion of employment in the rural areas in the medium term. Technical co-operation projects in this area should shift away from isolated micro projects into more inter-related projects of a coherent programme. In line with the conclusions adopted by the Conference at its 72nd Session (1986) concerning the promotion of small and medium-sized enterprises, the ILO should pay special attention to the role that such enterprises can play in rural development. The Conference calls upon the ILO to organise, where appropriate, non-farm employment strategy missions, in co-operation with other agencies, in order to assist governments and employers' and workers' organisations in the promotion of rural non-farm activities;
(c) the promotion of labour absorption in agriculture in developing countries. Particular emphasis should be given to: (i) designing the appropriate institutional framework for promoting increased agricultural production and employment; (ii) providing assistance to maximise the employment potential of the introduction of improved technologies such as high-yielding varieties, improved farm equipment and bio-technology; (iii) assisting in the establishment of occupational safety and health programmes for agricultural workers; (iv) acting as a "clearing house" for information on successful experiences of increased labour absorption in agriculture and the real living conditions obtained by the workers; and (v) assisting rural workers' and employers' organisations in the formulation of socio-economic programmes.

(d) the design of an integrated programme in support of smallholders in the rural areas of developing countries with a view to increasing the production of food and the promotion of employment. Such an approach might include: (i) the design of an innovative institutional framework for improving access to credit, particularly for the poor; (ii) the provision of appropriate training, complemented by access to appropriate technical assistance, by introducing innovative and participatory training approaches and methodologies; and (iii) the provision of technology suited to the needs of small farmers, keeping in view their safe working conditions.

(e) the development of appropriate approaches to, and programmes for, enhancing technical, managerial, organisational, enterprise and other skills for men and women to enable them to participate in and benefit from the process of growth and development in rural areas.

(f) the development of strategies, within the International Programme for the Improvement of Working Conditions and Environment (PIACT), for improving the living and working conditions of rural workers.

(g) the documentation and dissemination of information on the causes and dimensions of rural poverty with particular emphasis on the linkages between rural and urban poverty caused by migratory movements. In this respect emphasis should be given to special anti-poverty and direct employment creation programmes targeted at the most disadvantaged groups. These should include special public works programmes, food-for-work programmes and other direct intervention.

(h) giving priority to activities in support of rural women. Particular emphasis should be given to: (i) continuing research and documentation on the constraints on employment, conditions of work and differential impact of policies on rural women; (ii) direct measures to increase returns to women's labour in agricultural, productive and economically viable employment opportunities; (iii) encouraging the development of social amenities including provision of safe water supply, easy access to fuel and child-care facilities; (iv) steps to encourage women's full participation and influence in economic and social development; (v) women's access to decision-making bodies; and (vi) developing productive non-traditional activities for women.

(i) the design of programmes aimed at documenting and improving the legal, economic and social conditions of home-based workers.

(j) the design of programmes aimed at documenting and improving the legal, economic and social condition of the informal sector, which is now recognised as an important element of the rural sector both in terms of employment creation and in terms of generation of productive activities.

(k) the promotion of the full participation of employers' organisations and workers' organisations as defined in the Rural Workers' Organisations Convention, 1975 (No. 141), in designing and implementing rural employment policies. In this respect emphasis should be given to assisting the rural population in the creation and development of their own organisations, to the promotion of legislation protecting rural workers and their organisations, and to workers' education programmes for such organisations.

(l) the collection and dissemination of data by sex, region and sector, on rural employment, wages, incomes and other aspects of development, and assistance to member States in creating systems to monitor the conditions in rural
areas, especially of the poor groups. It should also make greater efforts to disseminate such data and the results of its research on the experience of different countries to a wider audience on a regular basis.

14. The ILO's technical co-operation programmes should aim at the promotion of national self-reliance, respond to the priorities and needs as defined by member States, and be carried out in close consultation with the social partners, including those in the recipient countries. In allocating resources to such programmes, every encouragement should be given to the promotion of human rights, including freedom of association and the right to organise. The ILO should continue and expand its work related to the evaluation and monitoring of the socio-economic impact of technical co-operation projects and ensure the dissemination of the results of its inquiries and the lessons of its experience, both successes and failures. Special attention should be given to the effectiveness of technical co-operation projects.

15. The ILO should vigorously promote and monitor the ratification and application of relevant ILO standards, particularly those related to such basic human rights as freedom of association and the right to organise of rural workers, non-discrimination and abolition of forced labour as well as of child labour. The ILO should also investigate the reasons for the limited ratification of the Rural Workers' Organisations Convention, 1975 (No. 141), and the Plantations Convention, 1958 (No. 110), and promote a tripartite dialogue on the subject. The Governing Body is requested to place on the agenda of an early session of the Conference the revision of the Tenants and Share-croppers Recommendation, 1968 (No. 132). The Conference also calls upon the Governing Body to consider placing on the agenda of an early session of the Conference the question of the application of modern agricultural technologies.

16. The ILO should initiate consultations between workers' organisations and between employers' organisations as to steps which might be taken to improve health and safety as well as employment of rural workers.

17. In the context of the Medium-Term Plan and the Sectoral Activities Programme, the Conference calls upon the Governing Body to convene the Advisory Committee on Rural Development at more frequent intervals. The Governing Body Committee on Employment should keep under review the ILO's work on rural employment. The Governing Body should also consider giving greater priority in the allocation of resources to activities concerning rural labour and employment.

18. The ILO should, within its sphere of competence, contribute to the promotion of dialogue between industrialised and developing countries. The Conference urges that the contribution of the ILO in this area should be based on the Conclusions of the High-Level Meeting on Employment and Structural Adjustment.

19. In carrying out its activities, particularly technical co-operation programmes, the ILO should continue and strengthen its co-operation with other organisations of the United Nations system to promote employment-oriented patterns of development in the rural sector, and should implement the conclusions concerning technical co-operation adopted by the Conference at its 73rd Session (1987). In the joint committees of the United Nations system in which the ILO participates, tripartite representatives should, whenever possible, be included in ILO delegations.

III

Resolution concerning the granting to the Republic of Chad 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

1 Adopted on 8 June 1988 by 384 votes in favour, 0 against, with 1 abstention.
Conference at its 69th (1983) Session for the settlement of the arrears of the Republic of Chad,

Having regard further to the fact that the Government of the Republic of Chad has brought itself up to date within the terms of the said financial arrangement by payment of the amount due in 1987 on 18 January 1988;

Decides that the Republic of Chad shall be permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organisation, it being understood that the aforesaid financial arrangement shall continue to apply.

IV

Resolution concerning the arrears of contributions of Poland

The General Conference of the International Labour Organisation,

Having regard to paragraph 6 of article 10 of the Financial Regulations;

Accepts the arrangement proposed by the Government of Poland for the settlement of the arrears of contributions due for the period 1980 to 1987 to the effect that:

(a) in 1988 Poland will pay in full its contribution for the year 1988;
(b) in subsequent years Poland will continue to pay its current contribution in full in the year for which it is due;
(c) Poland will settle the arrears that have accumulated up to and including 31 December 1987, amounting in total to US$9,039,336, by the payment of 19 equal annual instalments of US$451,967 beginning in 1988 and a final instalment of US$451,963.

V

Resolution concerning the granting to Poland 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 Poland;

Decides that Poland shall be permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organisation.

VI

Resolution concerning the assessment of the contribution of Poland for 1988-89

The General Conference of the International Labour Organisation,

In accordance with article 9, paragraph 2, of the Financial Regulations;

Fixes Poland’s contribution to the budget of the International Labour Organisation for 1988 and 1989 at a rate of 0.64 per cent.

1 Adopted on 8 June 1988.
2 Adopted on 8 June 1988 by 325 votes in favour, 0 against, with 1 abstention.
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 terms of office of the Rt. Hon. Sir William Douglas (Barbados) and Mr. Edilbert Razafindralambo (Madagascar) as deputy judges of the Tribunal for a further period of three years.

VIII

Resolution concerning the proposed incentive scheme for early payment of member States' assessed contributions

The General Conference of the International Labour Organisation,

Recalling that in accordance with article 10, paragraph 1, of the Financial Regulations, member States' assessed contributions for each calendar year are due and payable on 1 January of that year,

Noting that delays in the payment of assessed contributions by some member States have prejudiced the implementation of the Organisation's programme in a timely and orderly manner and placed those member States which pay their contributions in a timely manner at a disadvantage,

Recalling the concerns expressed by the Conference, the Governing Body and the Director-General with regard to the late payment of assessed contributions,

Agreeing that some form of incentive should be provided to member States that pay their assessed contributions in a timely manner;

1. Decides that an incentive scheme based on the setting aside of interest earned on temporarily surplus regular budget funds in any year shall be introduced as from 1 January 1989 for a two-year trial period;

2. Decides further that during this trial period 40 per cent of interest earned on temporarily surplus regular budget funds in each year shall be paid into the Working Capital Fund and that the remainder shall be set aside to provide a total incentive amount available for distribution to those member States which have paid in full their assessed contributions for the current year by 31 December of that year. The total incentive amount so established in each year will be distributed to eligible member States under an incentive points system based on an “S” curve formula which will take into account the dates and amounts of payments of current year's contributions by member States.

IX

Resolution concerning the Financial Report and Audited Financial Statements for 1986-87

The General Conference of the International Labour Organisation,


1 Adopted on 15 June 1988.
X

Resolution concerning reduction in the Programme and Budget for 1988-89

The General Conference of the International Labour Organisation,
Recalling that the 73rd Session of the Conference adopted the Programme and Budget for 1988-89 on the understanding that programme reductions to reduce the overall level of the budget would be worked out for approval by the Conference at its present session,
Decides to make programme reductions of $1.9 million as detailed by major programme in Appendix II to this report.

XI

Resolution concerning reimbursement to the Working Capital Fund in 1989

The General Conference of the International Labour Organisation,
Noting that the Governing Body, at its 240th (May-June 1988) Session, endorsed in principle the introduction in 1990-91 of a system of Swiss franc assessments combined with forward purchasing of the biennium's dollar requirements and agreed that the final decision should be taken at the 241st Session of the Governing Body in November 1988, based on a more detailed proposal presented by the Director-General with consequential changes in the Financial Regulations and Financial Rules,
Expressing the hope that firm proposals in respect of this problem will be made by the Governing Body within the framework of the programme and budget proposals for the 1990-91 biennium;
1. Decides that, as an exceptional measure and in derogation of article 21, paragraph 2 of the Financial Regulations, the amount due to be added to Part III of the budget (Working Capital Fund) in 1989 in order to reimburse the Fund for withdrawals made to finance the excess of budgetary expenditure over budgetary income in 1986-87 be reduced by $17 million, thereby reducing by a corresponding amount the additional assessments which would otherwise be made on member States in 1989 for that purpose;
2. Notes that, taking account of the $17 million, the resulting additional assessment for 1989 required under article 21, paragraph 2 of the Financial Regulations will amount to $8,059,627.

XII

Resolution concerning the Programme and Budget for 1988-89

The General Conference of the International Labour Organisation,
Recalling that the rate of exchange between the United States dollar and the Swiss franc (the "budget rate") for the 1988-89 Programme and Budget was fixed at 1.60 Swiss francs for 1 US dollar,
Noting the depreciation of the US dollar in relation to the Swiss franc since that rate was fixed and in particular the adverse trend over the first five months of the 1988-89 biennium,
Considering the consequential need to cover the additional costs that have arisen and are likely to continue to arise during the execution of the programme adopted for 1988-89;

1 Adopted on 15 June 1988.
2 Adopted on 15 June 1988 by 360 votes in favour, 8 against, with 47 abstentions.
3 Adopted on 15 June 1988 by 301 votes in favour, 42 against, with 33 abstentions.
1. Decides to modify the budget rate for the 1988-89 biennium from 1.60 to 1.43 Swiss francs to the dollar and accordingly to add an amount of $26 million under Part IV (Effects of exchange rate adjustments) to the budgets of expenditure and of income for 1988-89, it being understood that any additional costs arising from the value of the dollar being lower than the revised budget rate of 1.43 Swiss francs to the dollar will be met through adjustments within the level of the revised Programme and Budget for 1988-89;

2. Approves the revised budget of expenditure and income for the 61st financial period ending 31 December 1989, in the amount of US$357,023,033, resulting from the present resolution and the resolutions adopted at the present session of the Conference concerning programme reductions and reimbursements to the Working Capital Fund, as set out in Appendix I to this report.