



Governing Body

312th Session, Geneva, November 2011

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Institutional Section

INS

TENTH ITEM ON THE AGENDA

The International Institute for Labour Studies

Report of the 53rd Session of the Board

1. The Board of the International Institute for Labour Studies held its 53rd Session on 11 November 2011. The meeting was introduced by the Director-General and chaired by the Director of the International Institute for Labour Studies.
2. The Director-General welcomed the new members of the Board and expressed his warm welcome to the new Employer spokesperson. He highlighted the important role played by the Institute as the research arm of the ILO, and congratulated the Director and his team for their outstanding work. He pointed out that the Institute had been instrumental in conducting the research work at the ILO, starting with the formulation of the ILO's response to the global crisis, the Global Jobs Pact, and with the *World of Work Report* series. He noted that the *World of Work Report* had become a yearly flagship for the ILO and the 2011 issue marked a milestone in terms of the analysis of the global crisis. The relevance of the *World of Work Report* was evident during the G20 meeting in Cannes, where it had been disseminated. Moreover, the extensive coverage of the Report in global media showed that the Institute has been engaged in timely, policy-relevant research.
3. The Director-General applauded other research activities, notably the series on *Studies on Growth with Equity*. He also greeted the research conference, organized by the Institute earlier in 2011, which put together the ILO-wide knowledge on the lessons learned from the crisis. The Director-General also mentioned the success of the *International Labour Review*, as evidenced by the increase in the volume of downloads from 41,000 in 2009 to 65,000 in 2010.
4. The Director-General referred to the concept of efficient growth, as developed in his latest report to the International Labour Conference, and thought that the Institute's research shed light on various policy options in this respect. Looking forward, he expressed confidence that the Institute would continue to lead the ILO thinking on these issues and, to make further progress, he encouraged greater linking up with other research institutions, especially in developing and emerging economies. The Director-General concluded by emphasizing the important key role played by the Institute at the ILO, and thanked the

Board for its guidance over the years. He warmly congratulated the staff of the Institute for their outstanding performance.

Report of the Director and the Programme and Budget for 2012–13

(INS.B.LIII/1 and INS.B.LIII/2)

5. The Director thanked the Director-General for his comments on the Institute's work. He said that the Director-General's strong interest in research as a tool for policy formulation had proved an essential source of inspiration for the Institute's staff.
6. With the agreement of the Officers, he proceeded to present the Report of the Director and the Programme and Budget for 2012–13.
7. When introducing his Report, the Director highlighted several substantive findings. First, the *World of Work Report 2011* had found a connection between food price volatility on the one hand, and private investment in agriculture, jobs and poverty on the other. In the context of volatile food prices, producers, especially small farmers, lack the time horizon to invest in agricultural production which therefore perpetuates food shortages, and reduces employment opportunities. Second, the *World of Work Report* had shown that strengthening the link between wages and productivity would help promote global recovery, while reducing the need for using public spending to stimulate the economy. Third, the Director pointed out that the Institute has developed a modelling framework to better understand the impact of different labour market and social measures, and their interaction with macroeconomic settings. Fourth, he elaborated on the lessons learned from the series *Studies on Growth with Equity*, notably as regards how countries managed to find policy space for promoting job-rich recovery.
8. The Director provided an overview of the Programme and Budget proposals for 2012–13. The 2012 *World of Work Report* would focus on the new phase of the global crisis. It would explore the role of well-designed employment and income policies in supporting rebalancing, both between countries and within them. In particular, it would examine the link between jobs and macroeconomic policies, how best to promote investment in sustainable enterprises for more and better jobs, and study the issue of income distribution and labour standards in rebalancing the global economy. The 2013 *World of Work Report* would take a longer-term approach by looking at structural changes affecting the nature of work and the workplace as a result of the global crisis. One notable change to the publication would be its publication just before the International Labour Conference (ILC). This would also facilitate the diffusion of the findings through a side event during the ILC.
9. The Director reviewed plans for the *Studies on Growth with Equity*, which would henceforth address multi-country issues such as: (i) mobilizing domestic sources of growth in selected developing and emerging economies and the contribution of decent work in this respect; (ii) promoting employment, real investment and incomes in the Euro area; and (iii) a contribution to a new development approach in Arab countries. He elaborated on the plans for the *International Labour Review*, including the selection of papers for thematic issues for the journal, such as on social protection. He welcomed the outcomes of the *ILO Decent Work Research Prize* and proposed that a discussion on ways to making it better known take place at the next session of the Board. Lastly, he invited the Board to give guidance regarding the possibility to extend the reach of international internship courses to the regions.

10. The Worker Vice-Chairperson (Ms Byers) thanked the Director-General for his guidance and support to the ILO and the Institute over the years. She congratulated the Institute for the excellent work. She noted that the *World of Work Report* had become the ILO flagship publication. The 2011 edition had attracted significant interest in the public debate. Many trade unionists found the report extremely interesting, helpful, and accessible. Looking forward, she encouraged the Institute to build on its analytical strengths, notably as regards the links between the Decent Work Agenda and macroeconomic policies. The Institute had made a valuable contribution to the crisis-related debate in the previous *World of Work Reports* and should continue with its high-quality work in this field. She also welcomed the award of the ILO Decent Work Research Prize to two excellent researchers – women who both challenged and inspired us.
11. Ms Byers supported the proposed overarching crisis-related theme for the *World of Work Report 2012*. She drew particular attention to the need for further analysis of the interactions between jobs and macroeconomic policies; real investment for more and better jobs; income distribution, precarious work and economic recovery; and the role of international labour standards as part of global rebalancing. She regretted that none of the real causes of the global crisis had received sufficient policy attention so far. Therefore, the Institute should remain one of the important voices in the debate to urge for changes and to provide evidence-based arguments for the necessary reforms. Ms Byers also reminded everyone that the role of international labour standards was under-researched, so the Institute should contribute to fill the gap in coordination with other parts of the ILO.
12. Regarding the 2013 issue of the *World of Work Report*, Ms Byers expressed concern that the suggested topics were not sufficiently linked to the global crisis. She invited the Institute to refine the proposals for the 2013 *World of Work Report* and subsequently consult with the Board's Officers.
13. Ms Byers applauded the proposal to publish the *World of Work Report* slightly before the ILC and to hold a side event during the ILC in order to discuss the policy implications of the findings. She welcomed further country analysis, provided it was clearly differentiated from other ILO initiatives. In this regard, she agreed with the idea to move to a multi-country/thematic approach to the *Studies on Growth with Equity*. In conclusion, she endorsed the Programme and Budget proposals for 2012–13 and called for a meeting in March in 2012 with the Vice-Presidents in order to refine the themes for the *World of Work Report 2013*.
14. The Employer Vice-Chairperson (Mr Woolford) thanked the Director-General for his support and guidance to the Institute. Concerning the Report of the Director, he requested that, in future, the document be circulated as least two weeks earlier. He welcomed paragraph 5 of the document, which focused on the long-term requirements for a sustainable exit from the global crisis, including how real investment in sustainable enterprises could be enhanced, thereby boosting job opportunities. However, he questioned paragraph 6 of the document, which highlighted that carefully designed pro-employment programmes could support demand while promoting faster return to pre-crisis labour market conditions. Indeed, he warned against a return to a pre-crisis situation which had been so imperfect, as evidenced by rigidities, skills mismatches, and relatively high unemployment rates in certain parts of the world. He therefore emphasized the Global Jobs Pact's call for addressing the longer-term imbalances, which preceded the global crisis.
15. In terms of the work programme for 2012–13, Mr Woolford agreed with the proposals concerning the analysis of crisis-related issues as in the *World of Work Report*. However, he also urged careful treatment of fiscal issues, particularly as regards research on government revenue as a tool for supporting job-rich growth. While he agreed that taxation was a key determinant of employment, labour market participation and income dynamics,

he also warned against detailed analyses of those tax issues which are not strictly related to the ILO mandate – such as, for example, property taxation.

16. Mr Woolford welcomed the Institute's proposal to release the *World of Work Report* before the ILC and to hold a side event along the lines described by the Worker Vice-Chairperson. He applauded the proposed further work on European labour markets as part of the *Studies on Growth with Equity* series. This work should aim at promoting a clearer understanding of the challenges facing the EU. He congratulated the Institute on the International Internship Course, which year after year demonstrated its value, notably in terms of training of high-level collaborators of national employer's federations. The course had evolved and improved over the years, and the Employer's group expressed continued support and sincere enthusiasm for it. Finally, he inquired about the future steps concerning the ILO Decent Work Research Prize.
17. In terms of budget, Mr Woolford supported the proposals but requested that, in future, a more detailed allocation of the programmes be presented to the Board. Furthermore, Mr Woolford expressed support for the proposal by Ms Byers to have a meeting in March 2013 to refine the theme for the 2013 *World of Work Report*.
18. A representative of the Government of France welcomed the documents and requested further information on research carried out in different parts of the ILO. He noted with satisfaction that the Director was also the research leader for the ILO and invited him to present the research agenda for the next biennium. He also pointed out that it might be useful to compare how the ILO organizes research with the practices in other international organizations.
19. A representative of the Government of the Islamic Republic of Iran thanked the Director for the documents, and noted that the Institute had adopted the right track in terms of its line of research. He was grateful for the *World of Work Report* as an excellent initiative which had become a top benchmark with positive spillovers on the ILO as a whole. While he appreciated the quality of the *Studies on Growth with Equity*, he called for a wider selection of countries to be included in order to take advantage of the many policy initiatives carried out in under-researched parts of the world. Meanwhile, he welcomed the Institute's work in examining the link between macroeconomic policies and labour market outcomes. He reminded everyone that, in the past, some members of the Board had expressed doubts regarding the Institute's ability to carry out this kind of work, but the Institute had demonstrated its strong analytical capacity on macroeconomic issues. He spoke favourably about the possibility of holding a research conference or an international internship course in the regions. Regarding the study visits to the Institute, he requested that a list of participants and their country of origin be provided in a future meeting of the Board.
20. A representative of the Government of Pakistan welcomed the proposed activities for 2012–13. As a regular reader of the *International Labour Review*, he found the journal to be exceptionally good. He welcomed the upcoming special issue on social protection and encouraged the journal's editor to broaden the range of topics, in particular, in areas that are of crucial importance to developing countries such as the informal economy. Agreeing with the representative of the Islamic Republic of Iran, he thought that the International Internship Course should also be held in one of the regions, at least from time to time, and resources permitting. He favoured further efforts to share the Institute's invaluable expertise with researchers in developing countries.
21. A representative of the Government of the United Arab Emirates supported the Programme and Budget proposal for 2012–13. He expressed the view that the Internship Course should be more balanced towards developing countries. The work done by the Institute – notably

the *World of Work Report* – should be translated into Arabic. More generally, he supported the call from the representative of Pakistan for further efforts to share research findings with institutes in developing countries.

22. A representative of the Government of Panama thanked the Director-General for his guidance and support to ILO research. The Institute had become a major research centre and an important source of expertise for policy-makers.
23. The Director thanked the Board for the very encouraging and positive comments regarding the Institute's work. He welcomed the Board's support for the Institute as autonomous research centre of ILO expertise on macroeconomic analysis, including the links between macroeconomic policies and the Decent Work Agenda. He noted support for the 2012 issue of the *World of Work Report*, which will focus on the recent economic weakening, and its interactions with decent work, investment and fiscal goals. There was also support for the other substantive priorities. However, as requested by the Board, he committed to refine the themes for the 2013 *World of Work Report*, in consultation with the Vice-Chairs, in order to keep the focus on the global crisis.
24. He pointed out that, unlike ILO country work, the *Studies on Growth with Equity* examine the link between macroeconomic issues and the Decent Work Agenda. During the next biennium, the Institute would examine a group of countries around a particular theme. In response to delegates' requests, he confirmed that the Institute would expand connections with research centres in different parts of the world. Also, the Institute would consider hosting research conferences in the regions, with at least one in the coming biennium.
25. In his capacity as ILO research leader, the Director informed the Board that the overall goal was to enhance quality through less, more focused, peer reviewed publications. In addition, research was being regrouped under a few overarching topics in order to enhance synergies, promote quality and facilitate diffusion of the findings. Similar to what was done in other organizations, and in agreement with the Board, he undertook to release the flagship *World of Work Report* right before the ILC with a side event held during the ILC. Lastly, he briefed the Board on ILO plans to create a research paper series and a dedicated website. He proposed to discuss the ILO research agenda at the next meeting of the Board.
26. *The Board took note of the Report of the Director.*
27. *Noting the above comments, the Board, in accordance with article II, paragraph 6, of the Regulations of the Institute, decided to adopt the programme and budget for the International Institute for Labour Studies for 2012–13, to transmit the programme to the Governing Body of the ILO for endorsement, and to submit the budget for final approval.*
28. *The Board requested further discussion between the Director and the Vice-Chairs on the themes for the 2013 World of Work Report and to report back on the outcomes of this discussion by March 2012.*

Acceptance of contributions and gifts (INS.B.LIII/3)

29. The Employer Vice-Chairperson thanked the Director for keeping the Board up to date with developments.
30. *The Board took note of and approved the document.*

Other questions

31. *There were no other questions. The sitting closed at 6 p.m.*

Geneva, 15 November 2011