



FIFTEENTH ITEM ON THE AGENDA

International Institute for Labour Studies**Report of the 47th Session of the Board**

1. The Board of the International Institute for Labour Studies (IILS) held its 47th Session on 8 November 2005. It had before it a document pertaining to a possible Decent Work Prize,¹ the Report of the Director,² the Programme and Budget for 2006-07,³ and a document concerning the acceptance of contributions and gifts in support of the Institute's activities.⁴ The Director of the Institute chaired the session on behalf of the Director-General, who had prior commitments outside Geneva. It was decided to discuss item 1 on the agenda, the Decent Work Prize, last.
2. The Director paid homage to his predecessor, Mr. Jean-Pierre Lavié, Director ad interim of the Institute since 2002, and underscored the Institute's vital role in the ILO in times of pressure on the Organization to deliver in the short term without compromising its ability to explore new issues and develop responses grounded in high-quality analysis.

**Report of the Director
(INS.B.XLVII/2)**

3. In presenting the Director's report of activities in 2005, the Director highlighted work on participatory governance; a research project on the contribution of tripartism to economic reform; a conference and forthcoming book on "merchants of labour", the intermediaries in international labour migration; a workshop and publication on qualitative indicators of workers' rights; a successful internship course and dialogue and research events on globalization.
4. Ms. Byers (Worker Vice-Chairperson) commented that the project on peak-level tripartism needed to focus the research questions in a way more meaningful to workers. From a worker perspective it was evident that stronger trade unions made for stronger tripartism. She welcomed the findings of the research project on the impact of labour institutions on

¹ INS.B.XLVII/1.

² INS.B.XLVII/2.

³ INS.B.XLVII/3.

⁴ INS.B.XLVII/4.

socio-economic outcomes, highlighted the relevance of the project for the ILO, and encouraged the Institute to carry on research in this area. She also found the linkage between stronger workers' rights and better trade performance interesting and stressed the need for the ILO to convince its member States of the important role played by labour standards in development strategy. She applauded the activities of the Institute under its Education and Outreach Programme, and highlighted the importance of communicating its activities to the ILO constituents and the academic community. She suggested an assessment of the International Internship Course in order to improve it, exploring the possibilities of shortening its duration and making it more effective within the same budget.

5. Mr. Suzuki (Employer Vice-Chairperson) observed that in Japan labour studies included the study of social policies in the broad sense of that term and, from this angle, the Institute's work looked unbalanced as it did not sufficiently tackle core issues for enterprises. He appreciated the Institute's research adopting a comparative approach and expressed interest in the research concerning the EU Multi-stakeholder Forum on CSR as well as in research on how technical change and industry restructuring affect the demand for labour. He found the Public Lecture Series organized in connection with the ILO Governing Body meetings a very useful opportunity for the Institute to deliver its message among the members of the Governing Body. He also stressed that education was a significant function of the Institute, and welcomed the existence of a CD-ROM covering the International Internship Course, which was an attractive device for advertising the Institute's work among the business community. The Institute should also consider other means of making its outputs, such as the Director's report of activities, look more appealing. The fact that many visiting scholars and students came to the Institute was a sign of its capacity to attract young people. The Employers would be interested in strengthening exchanges between the ILS and business-related research institutions. Overall, the Employers endorsed the report.
6. The representative of the Government of Hungary fully endorsed the Report of the Director, and praised it for being "impressive" despite the Institute's limited resources. He emphasized that one major indicator for measuring the Institute's performance was whether it promoted the ILO's policies and activities, rather than whether its results were "directly marketable" to the social partners.
7. Mr. Garonna, the representative of the United Nations, wondered to what extent the Institute's programme had included work on civil society organizations when addressing tripartism and participatory democracy, and to what extent it had acknowledged the growing role of "soft" law. He underscored the importance of networking. International organizations could capitalize on their convening power and the interest of academia in participating in activities of the international community.
8. Sir Roy Trotman (Worker member) suggested that the Institute examine the possibilities for introducing leadership-building programmes at senior levels and to draw on former participants of Institute activities, particularly the internship courses. He appreciated the contribution made by the Institute to the Global Labour University. He felt that the time was now ripe to take the Institute to a new level of achievement, in ways which would respond to the needs of the ILO's constituents.
9. Ms. Golden, the representative of UNESCO, drew attention to similarities between the Institute's activities and UNESCO's Management of Social Transformations Programme (MOST), including using research networks and organizing social policy forums and publications to open up new perspectives. She welcomed the Institute's participation in UNESCO's forthcoming International Forum on the Social Science – Policy Nexus (IFSP) and saw this as a first step towards a strong future partnership.

10. In responding to the discussion, the Director noted that several comments were concerned with communications strategy and the need to reflect on how work could both serve the constituents and reach a wider audience. That was an important point for future work. Valuable comments had been made about the internship courses and the potential for networking they offered, and attention would be paid to reviewing and strengthening educational activities. Given the small size of the Institute, it would seek to work with wider research networks, involving government research bodies, as well as business, and worker and academic networks. The Institute had addressed questions of soft law and civil society, a sign of its comparative advantage in examining topical issues.
11. *The Board took note of the report.*

Programme and Budget for 2006-07 (INS.B.XLVII/3)

12. In presenting the Programme and Budget for 2006-07, the Director stated that the proposals had drawn on both the strategic review of the Institute's work and activities in the existing programmes. It was based on the premise that the Institute's work should be organized around a coherent conceptual and analytical framework reflecting the main challenges faced by the ILO. Under the broad headings of "work and development" and "social goals and international governance", the Institute would both carry out research on specific topics where knowledge was deficient and act as promoter and catalyst of external networks. The Institute's research, education and policy dialogue activities would draw on and reinforce each other; different disciplines would be brought together. Several proposals derived directly from the strategic review, including the creation of a research and publications committee internal to the ILO; the launching of a regular ILS research conference; increased links with constituent networks; and drawing on external expertise in the Board's substantive discussions.
13. The budget proposal for 2006-07 was some 15 per cent lower in real terms than the approved budget for 2004-05. This was partly due to a decline in the ILO's contribution to the Institute's budget. This reduced level also drew on funds carried over from previous periods.
14. Ms. Byers (Worker Vice-Chairperson) expressed her concerns about the reduction of the Institute's budget and hoped that it would still be able to carry out its future activities efficiently. She underscored the importance of the Institute's financial soundness in order to carry out its research activities in an effective and unbiased manner, independently of donor contributions, and the Workers' group would wish to see funding restored to its former level in 2008-09. She advised that the Institute in its research should address the issue of decent work in rural areas, the role played by different financial institutions in a globalized world and the relevance of international labour standards for development. Reiterating the need to look again at the internship course as from 2007, she expressed her interest in mobile thematic workshops and requested more information on their possible impact and sustainability. She also suggested looking at the possibilities for increasing the number of visiting scholars, fellows and students from developing countries. She firmly supported the Institute's continued involvement in the projects on the Global Union Research Network and the Global Labour University, and said that, if the Governing Body decided to hold a Globalization Policy Forum, the Institute should participate in its preparation. She also supported the idea of inviting some academics to the next Board meeting on an experimental basis. On behalf of the Workers, she accepted the Programme and Budget proposals for 2006-07.

- 15.** Mr. Suzuki (Employer Vice-Chairperson) voiced concern about the reduction of the funds to be carried forward to the next biennium, and stressed the need for equilibrium. As for the substance of the programme, he wished to see a better balance in the attention paid to the distributive aspects of the economic process, on the one hand, and wealth creation and production, on the other. Employers were interested in both aspects and expected the Institute also to take the latter into account. This was the way to bring economic and social governance together. More emphasis should be placed on enterprise objectives and contributions. He asked for more analysis of global production systems, with a greater focus on production aspects. He expressed his satisfaction with the envisaged organization of two International Internship Courses. Even though he would have had some questions to ask, he found the mobile thematic workshops a worthwhile exercise. He suggested that the Institute should collaborate with the OECD on common issues, and considered that the organization of an IILS research conference was an important activity. He supported the Programme and Budget proposals for 2006-07.
- 16.** Mr. Anderson (Employer member) associated himself with Mr. Suzuki's remarks and expressed concern at the lack of focus in the research programme on factors generating labour demand. He wished to encourage more work of a comparative nature. He encouraged diversity of thought in research, and stressed the need for the work of the Institute to be relevant to its constituents.
- 17.** The representative of the Government of Hungary endorsed the Programme and Budget proposals for 2006-07 on the grounds that they were in line with the strategic review and with other major policy documents of the ILO. He emphasized the importance for the Institute of building closer linkages, not only with the Office and the constituents, but also with external networks – including by inviting academics to the Institute's Board – so as to improve the evaluation of the scientific quality of the work conducted within the Institute.
- 18.** The representative of the Government of Argentina emphasized the importance of developing networks while keeping in mind the differences between the developing and the developed world. She also saw the particular role of the Institute in the area of education. She urged the Institute to embrace research on changes in labour markets with a particular focus on good practices and the role of local (as opposed to global) production systems in generating employment.
- 19.** Mr. Godoy (Employer member) felt that participatory democracy and, more generally, the role of civil society might be studied but with an awareness of their limitations. He was concerned that the treatment of corporate social responsibility (CSR) under the heading on governance might be in contradiction with the position that CSR must be preserved as a voluntary initiative of enterprises.
- 20.** Mr. Garonna, the representative of the United Nations, welcomed the two main thrusts of the Institute's work programme, which clearly corresponded to the priorities of the United Nations system. He wondered whether a third United Nations concern, the linking of development with peace and security issues, could also be included.
- 21.** The Director feared that there might not be sufficient resources for work on this third dimension but emphasized that decent work was probably one of the most effective instruments in bringing about peace and security. In response to other comments on the programme and budget proposals, including those on a better balance between issues of distribution and production and the question of mobile thematic workshops, he hoped that there would be a possibility to follow up on them in direct interaction with the members of the Board, outside the yearly Board meetings. He felt that there was scope within the proposals to strengthen the emphasis on production, for instance at the local level, and for working with business research networks. Other comments were also well taken and had

been noted, and would be taken into account in the development of the programme. He also suggested a consultation process with the Board to take forward the educational activities.

22. He acknowledged the concern of both the Workers and Employers with the overall level of the Institute's budget, including the need to draw on reserves. In fact, in the past the Institute's reserves carried from year to year had been relatively modest and the proposal was in line with that precedent, while the use of reserves in the current biennium helped to prevent a sharper cut in the programme. However, in the light of the Employers' concern in particular, he undertook to manage the Institute's resources prudently with a view to conserving reserves, to seek extra-budgetary resources to that end, and to develop a longer term strategy for the following biennium.
23. Mr. Suzuki (Employer Vice-Chairperson) reiterated the concern of the Employers regarding the substantial reduction of the reserves, and felt that the question of longer term sustainability should be addressed.
24. Ms. Byers (Worker Vice-Chairperson) acknowledged that, in order to carry out the programme, some depletion of reserves was to be expected. The discussion had shown that there was general support for the programme, and the issue was one of developing a longer term strategy to ensure an adequate budget in the future.
25. *Noting the above comments and concerns, 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 2006-07, to transmit the programme to the Governing Body of the ILO for endorsement, and to submit the budget for final approval.*

Acceptance of contributions and gifts (INS.B.XLVII/4)

26. *The Board took note of this document.*

A possible Decent Work Prize: Issues and options (INS.B.XLVII/1)

27. The Director outlined the three options for a possible prize set out in the paper before the Board members. Under option 1, the Phelan Fellowship would be converted into a prize, the target for such an award being mid-career researchers. The main difference with the existing process would be the way in which the prize would be advertised. Under option 2, a higher-profile research prize would be awarded to a leading scholar for outstanding contributions to the advancement of knowledge on key ILO concerns. The existing Nobel Peace Prize endowment would be incorporated and the honour of giving the Nobel Peace Prize lectures would become part of the award. Option 3, the most ambitious, would involve prizes in different categories and could not be funded from the Institute's programme alone.
28. Mr. Suzuki (Employer Vice-Chairperson) cautioned against any commercialization, and said he would not support the idea of converting the Phelan Fellowship into a prize under option 1 if that were likely. Nor did the Employers support option 3, as it went beyond the mandate of the Institute and would have to be submitted directly to the Governing Body.

He wondered whether under option 2 the prize would relate to work done or work in progress, and how frequently the prize would be awarded. He had some concerns about its usefulness. As for the appointment of a jury, the most important criterion for the chairperson was an understanding of the ILO's work and tripartite culture. It was too restrictive to insist on having a chairperson from academia. He expressed reservations about using the term "decent work" in the name of the prize because the concept was narrowly understood in certain quarters. He suggested that "ILO World of Work Prize" (for example) might be better, or that the name of the prize should refer to the ILS rather than the ILO.

29. Elaborating on Mr. Suzuki's points, Mr. Anderson (Employer member) stressed that the reservations about including the words "decent work" in the name of the prize did not imply not subscribing to the Decent Work Agenda. The point was that awarding a prize implied a desire to market something on a long-term basis, and in ten or 15 years' time the phrase "decent work" might have been replaced by some other concept.
30. Ms. Byers (Worker Vice-Chairperson) noted the consensus, first, on the idea of having a prize, and second, that the prize should have a research focus. Of the three options, the Workers favoured the second one. With regard to the name of the prize she argued that "decent work" had become a reference point in many decisions inside and outside the ILO, and the ILO and its constituents were committed to making decent work a reality for all. Calling this prize the "Decent Work Prize" would acknowledge and strengthen the importance of the concept, and express the vision and values of social justice and decent work which the organization promoted.
31. The representative of the Government of Brazil agreed with the Workers' perspective that the name of the prize could include the words "decent work". The notion did not pose any particular problem of interpretation and, what was more, it was in the process of crystallization in the policy agendas of the developing world. Nothing prevented the Board from reconsidering the name of the prize in the future, if necessary.
32. The representative of the Government of Uganda endorsed that view, and argued that there should be no objection to using the name "Decent Work Prize" for fear of weakening the notion of "decent work" in the future. On the contrary, the ILO should move towards making decent work a permanent notion.
33. Sir Roy Trotman (Worker member) felt that there was agreement on a prize dealing with scholarship, although he agreed with Mr. Suzuki that it should not be awarded by a committee composed only of academics. He felt that the idea of a prize was the most important issue. In reality everyone in the ILO today was committed to decent work. It was to be hoped that this would remain part of the ILO's rich tradition for years to come, and a Decent Work Prize would express that vision. The research work might address a variety of timely themes, but the prize needed to be a Decent Work Prize.
34. In summarizing the discussions, the Director noted that there was agreement to go ahead with the proposal for a research prize (option 2). However, in implementing the proposal, a number of particular points would need to be addressed:
 - First, a balance was required in the membership of the prize jury, ensuring that those concerned were committed to the ILO's work and values.
 - Second, there should not be an open-ended commitment, as a prize might need to be adapted to the current policy agenda. He suggested a review after two biennia.

- Third, the final name of the prize would be decided by the spokespersons of the Workers’ and Employers’ groups and the Director-General, taking into account the expressions of support of several Board members for including the phrase “decent work” in the name of the prize.

35. *The Board accepted the proposal.*

Other questions

36. *There were no other questions; the sitting closed at 6.20. p.m.*

Geneva, 14 November 2005.

Appendix

The ILO visiting lecturership on international social policy funded from interest accruing to the capital of the ILO's Nobel Peace Prize

The International Institute for Labour Studies regularly organizes the ILO visiting lecturership on international social policy. Arrangements for this lecturership, which is financed from the interest accruing to the capital of the ILO's Nobel Peace Prize, were adopted by the Governing Body in 1991 (GB.251/PFA/7/12).

At the 47th Session of the Board of the International Institute for Labour Studies, it was decided to create a research prize to reward outstanding contributions to the advancement of knowledge on key ILO concerns. The prize, to be presented during the International Labour Conference, would include the honour of giving the social policy lectures; these would at the same time be given higher global visibility. In order to make the lecturership part of a new research prize, some changes would be required in the arrangements approved in 1991, without modifying the financial envelope. They include the selection of the prize winner by a jury, the location for the lectures, the type and level of the award, and the manner in which the lectures are given global visibility. These arrangements will be worked out in consultation with the Officers of the Institute's Board, and the Governing Body will be kept informed.