

Appendix I

Opening remarks by the Director-General (Monday, 28 October 2019)

Welcome to this 337th Session of the ILO Governing Body, which meets as the ILO's Centenary year draws towards its close.

This circumstance provides a specific and important context for the discussions we will have over the next two weeks and I think it is useful for us to reflect upon it as we begin our work.

By common consent, we have made a considerable success of this unique Centenary. The decisions made by this Governing Body to focus above all on the future of work, and through a demanding and ambitious process of preparation starting with national tripartite dialogues, then with our Global Commission, and then through the negotiations at this year's Conference, to adopt a Declaration for the Future of Work, have been amply vindicated.

The result is that the ILO can move forward from its Centenary with confidence and momentum, and this is good news for us all.

Good news, because the ILO has gained enormously in visibility this year.

Good news, because the ILO has gained too from the extraordinary engagement of its constituents which I have seen directly in so many member States.

Good news, because we have received strong political support from the highest levels for our mandate and our activities. This was expressed by the messages delivered by no less than 34 Heads of State and Government to the Centenary Conference, and has been echoed in many other venues, and in our worker and employer constituencies.

But what is even more important, what matters most, is that the Centenary has offered the ILO the opportunity to assert its leadership, its mandate, its expertise and its values in what are some of the most pressing substantive policy issues of our time; those that concern the future of work, and therefore the future of our societies, of us all. And we have taken that opportunity.

In this regard, let me draw the Governing Body's attention to the resolution adopted by the UN General Assembly on 16 September 2019 concerning the ILO Centenary Declaration. It says a lot in a short space, beginning with an expression of appreciation of the historic role of the ILO and its tripartite constituents, and going on to welcome the Declaration and encourage its implementation. In particular, it asks all UN funds, programmes, specialized agencies and financial institutions to consider the integration of the Declaration's policy contents as part of the UN Sustainable Development Cooperation Framework in order to inform the work of UN Country Teams. It goes on to encourage member States in applying the principles of the Declaration at the national level.

There is more, but the point I want to highlight is that the Declaration has opened up remarkable new opportunities for the ILO internationally – and we are all aware of the significance of that in the light of our many discussions on UN reform here – and nationally.

The question, then, is whether we will be able to take these opportunities – and this above all else is what this Governing Body must keep in mind as it tackles the agenda before us. The real challenges of our Centenary do not end when this year ends. Rather they begin now and will be with us throughout the years ahead. There are high expectations of us, and by extension the capacities of tripartism and of multilateralism are under scrutiny. Such are the responsibilities which come with the opportunities generated by the success of our

Centenary. And I might add that we made a very good start last Friday with a productive meeting of the Board of the Turin Centre.

For these reasons, let me focus for a moment on the issues before the Governing Body which result directly or indirectly from the Centenary Declaration and the Centenary Conference.

The most substantive is the programme of work for 2020–21 to which I will return in a moment. But there is much else.

In the negotiations on the Declaration there was no agreement on the idea which had been raised of elevating safety and health at work to the status of a fundamental principle and right at work. But the accompanying resolution adopted by the Conference instructed the Governing Body to consider as soon as possible proposals in this regard. And so we have before us a time-defined road map for doing that, which could culminate in an outcome document for the Conference in 2021. We should not underestimate the complexities – political and technical – associated with this matter. Nor indeed the seriousness of the world of work realities involved. Each year some 2.7 million people die because of the work they do or have done.

The Declaration itself, expresses the desire to democratize the governance of the ILO by ensuring fair representation of all regions and establishing the principle of equality among member States, with the accompanying resolution mandating Governing Body action to definitively democratize the functioning and composition of our governing bodies.

These provisions take up issues which have been under longstanding review here, specifically in relation to the ratification of the 1986 Amendment to the ILO Constitution, on which the regular progress report is presented to the Governing Body session. In the light of the Conference decisions, the question is what more might be done in respect of the 1986 Amendment and what else might be done to achieve the agreed objectives. The suggestion is that a tripartite working group be established to examine these matters, reporting back to the Governing Body one year from now.

In addition to the Centenary Declaration, and hardly less significantly, the Conference adopted a new Convention – the first since 2011 – concerning the elimination of violence and harassment at work, with an accompanying Recommendation. Since the Conference, I have been struck by the remarkable resonance the adoption of these instruments has had – among our tripartite constituents, and beyond. Its significance is recognized by all – and people want to see it quickly and widely ratified and implemented. And this is why the promotional strategy before this session merits your particular attention as the basis of the national and international action which is in such demand.

Let me now revert to the proposed ILO programme of work and results framework 2020–21, which I take the opportunity to commend formally for your adoption. We will all recall that on this occasion we have followed an exceptional procedure for adoption of the programme and budget. Put simply, the budget was adopted by the Conference in June, while finalization of the substantive programme was held over until now precisely to allow for it to be informed by the outcome of the Centenary Conference.

And the key point I need to make follows directly from this. It is that the backbone of the proposed programme, in the shape of the eight policy outcomes, has been formulated very deliberately to translate the provisions of the Centenary Declaration into operational action. This lies at the heart of maintaining the momentum of the Centenary and realizing the opportunities of which I have already spoken.

So it is that the outcomes reflect the investments which are contained in the Human-Centred Approach to the Future of Work set out in the Declaration: in people's capacities equipping them to navigate future work transitions successfully; in the institutions of work to ensure socially acceptable labour market outcomes; and in the sustainable jobs of the future for decent work for all.

Policy outcomes 1 and 2 are the necessary foundations of the whole programme, promoting the capacities of the ILO's tripartite constituents and then their interaction in effective social dialogue, and providing the body of relevant international labour standards supported by authoritative supervision, which are the essential normative basis of everything our values-led Organization does.

Outcomes 3 and 4 focus on how to shape the economic, social and environmental transitions which are and will be fundamental to the future of work and on promoting sustainable enterprises, always with a view to the achievement of full employment and decent work for all.

Outcomes 5 and 6 bring in the imperative of skills acquisition and lifelong learning so crucial to enabling people to benefit from the opportunities of change at work, while renewing the agenda for gender equality so that all are empowered equally with none left behind.

And Outcomes 7 and 8, tackle the key challenges of promoting adequate and effective protection to all in a transforming and increasingly diversified work setting so that change can be navigated in truly human conditions of work, and in a context of comprehensive human security.

With regard to resource allocations, you will see that the document before you presents the proposed distribution of the agreed strategic budget between policy outcomes and integrates regular budget allocations with those expected from extra-budgetary sources. We have sought a satisfactory balance between the policy outcomes and have invested particularly in those on skills and on gender in the light of the provisions of the Centenary Declaration.

This proposed programme of work is an agenda for action which addresses the opportunities and challenges of the future of work. It is the start of a journey which must continue beyond the next two years. It combines continuity with change, because there are things the ILO must always do, and because there are new realities which it must address and change. It is an agenda for social justice and decent work adapted to today's realities and those of tomorrow.

It will be noted too that these policy outcomes absorb the cross-cutting policy drivers of the past biennium (on standards, non-discrimination, social dialogue, and environmental sustainability) and at the same time build directly upon the seven Centenary Initiatives which have proven so important, I think, in pivoting the ILO towards the crucial issues of the future. Of course the substantive content of the initiatives will continue to figure centrally in ILO work. Standards is a notable example. So is the way in which the End of Poverty Initiative has served to align the ILO's programme with delivery of the UN 2030 Agenda for Sustainable Development, an alignment which is enhanced in the proposed programme as set out very clearly in its Appendix II.

Indeed, the overall results framework presented includes significant innovations in line with the ILO's continuing commitment to relevance, impact, and accountability. The intention is to better track and measure achievement through a "theory of change" for decent work, operating at three levels: the impact level, which addresses the longer perspective of advancing social justice through decent work; the outcome level, which homes in on the medium-term building blocks; and the output level, which is about the ILO's own interventions in the course of the biennium. This three-tiered approach to the realities of bringing change and improvement to people's lives is well-fitted to enhance monitoring and reporting to you, our constituents, on what the ILO has done, and to what effect.

Our commitments in this regard are closely related to our corresponding responsibility to continue to strive for optimal efficiency and quality in our work and for transparent and equitable governance. As before, the three proposed enabling outcomes have been formulated so as to build on what has been achieved to date and to do better still. These are issues where there is no definitive point of arrival; continued improvement remains the

watchword, allied to the need to adapt according to emerging needs. I would draw the Governing Body's attention also to the important linkages between these enabling outcomes and other items on its agenda; for example, the research agenda, improvement in the functioning of the Conference and various human resource items.

I very much hope that the Governing Body will see the merits of the proposed programme of work as appropriate follow-up to our Centenary. But we need to be conscious too of the need to supplement its implementation with further innovative approaches. We will return to the matter of international policy coherence and the reinforcement of the institutional arrangements between the ILO and other international organizations next March. In addition, I have been struck, as I said at the beginning of my remarks, by the extraordinary level of interest in future of work matters that the Centenary has generated outside the ILO's tripartite constituency. One consequence of this is that we have new and exciting possibilities to explore and establish innovative partnerships – with companies, with foundations, with the academic community in the international system. I am not convinced however that our current processes or reflexes are entirely conducive to exploiting fully such opportunities, and this too is a matter to which we might usefully return.

The fact that a budget was adopted in June does not dispense me entirely from addressing all matters of a strictly financial nature. As the Governing Body has instructed, the source of savings to finance the ILO's contribution to the UN resident coordinator system is set out in paragraph 301 of Information Annex 1, while the financial implications of the ILO Administrative Tribunal judgment concerning the Geneva post-adjustment index is dealt with in a separate document before the Governing Body. In this latter case, because the proposal is to absorb through savings the costs concerned, no adjustments to the programme are proposed.

There is, of course, a considerable volume of business before the Governing Body which I have not addressed directly and do not propose to cover in any comprehensive manner now.

Suffice to say that we have a quite large number of country-specific items on our agenda: Guatemala, Qatar, Myanmar, are among them. We will also have the annual report on the ILO's programme of development cooperation for the occupied Arab territories. And in addition, I would recall that the Commission of Inquiry established last year to consider the Article 26 complaint against Venezuela adopted its report in September, and it was then communicated by me to the Government on the 27th of that month. The Constitution stipulates that the Government has three months to inform the Director-General whether or not it accepts the report's recommendations. So I trust that we will be in a position to return to this matter at our next session with the benefit of that reply.

In addition to these important and sensitive matters, which, as I have the habit of saying, need to be dealt with through a proper combination of principle and perseverance, we will also be dealing with other important matters which have, in some cases, been before the Governing Body for quite a long time, predating the ILO's Centenary. I think here about the ongoing work on global supply chains; the integrated strategy on decent work deficits in the tobacco industry; our efforts to improve diversity in the composition of ILO staff; and of course the standards review mechanism.

These items have taken on the characteristics of old acquaintances; we are familiar with them, we know their strong and weak points, we know what we like about them and what irritates us; and of course we care about them.

But just as for the more recent issues flowing from the Centenary, it is incumbent on us all to seek agreed outcomes through respectful dialogue and compromise, because here too we are under scrutiny, expectations are high, and we need to show how multilateralism and tripartism, uniquely combined in this house can and do deliver.

In this spirit, I am convinced that this Governing Body, under your direction, will navigate this most significant juncture in the ILO's history with great success. But even

though, as I have recalled, the Centenary is drawing towards its close, this session does not mark its final act. That honour falls rather to the 14th African Regional Meeting which will convene in Abidjan in December and let me say to all African members and to you Mr President that I look forward greatly to participating in that very fitting culmination to a great year.

Appendix II

Statement by the Chairperson of the Staff Union to the Programme, Financial and Administrative Section of the Governing Body (30 October 2019)

It is my honour to deliver this address as President-elect of the ILO Staff Union, representing almost 70 per cent of the ILO staff at headquarters and in the field.

This Centenary year of our Organization is drawing to a close, although several major events are still scheduled to take place between now and December. What a year it has been! With its global presence, in the elegant chambers of great leaders and at the United Nations General Assembly, even going so far as to organize an open day just a fortnight ago, the ILO has thrown off its usual reserve to promote its activities and its role, namely that of advancing social justice and promoting decent work. Through the adoption of the ILO Centenary Declaration for the Future of Work and a long-awaited international Convention on eliminating violence and harassment in the world of work, it has demonstrated that it remains, and will continue to remain, a key actor in efforts to address the political, economic, social and climate-related challenges of the future.

This is, of course, the collective work of the Organization, in which everyone has had a role to play. I think I may say that the staff have been proud to participate in this Centenary adventure, demonstrating their skills so that the ILO can really shine, and all without begrudging this task, which has come at the cost of many hours of overtime, both at headquarters and in the field. This is not about claiming a debt, but merely calling for recognition of the members of staff that I represent to ensure that the decisions taken in this room over the coming days are not taken at their expense. It has been an exciting year, but a tough one too. My colleagues have shown enthusiasm, but are now worn out. They have worked miracles this year to make the Centenary a success, despite the fact that, for many years, they have been operating under a regime of veiled austerity in order to meet the expectations of constituents. This way of working has major costs in terms of burnout, health and absenteeism, which is on the rise within the Organization. The ILO must make sure that it has the means to achieve the ambitions imposed by its constituents – which it exists to serve – without sacrificing its staff to make savings.

This leads me naturally to the first documents presented at this session, documents [GB.337/PFA/1/2](#) and [GB.337/PFA/INF/2](#). They are still under discussion, and I have been paying close attention to those discussions, which deal with a matter of such importance that the Staff Union cannot pass over it.

The common thread of these documents is Judgment No. 4134 of the Administrative Tribunal of the ILO (ILOAT) in respect of the decisions of the International Civil Service Commission (ICSC) regarding the revised post adjustment index for Geneva, which was delivered on 3 July 2019. As a preliminary remark, the Staff Union wishes to welcome the fact that the administration, since the decision was announced, has spared no effort in ensuring that it is implemented within the deadlines set out and in accordance with the commitments made.

The Staff Union notes, however, and not without a certain degree of surprise, that there are several references in document GB.337/PFA/1/2 on the financial implications of the judgment to “unforeseen expenditure” in relation to the future consequences for the ILO’s budget. It is not often that the Staff Union ventures into the murky waters of budget forecasts, for fear of getting lost in the specialist terminology, but our reading of this document raises several questions.

First of all, looking at paragraph 6 of the document, I would like to ask why the cost-saving measures mentioned, which would have an impact on staff working conditions, are

not being dealt with through internal social dialogue as a matter of course. In this respect, to avoid the same pitfalls that always arise in relation to the lack of internal social dialogue, the Staff Union demands, once and for all, that – just as all staff are required to follow endless courses on governance or standards of conduct, or yet more information technology security training linked to risk management – all staff at grade P5 and above, both at headquarters and in the field, complete mandatory training on collective bargaining and social dialogue, or otherwise being considered a known, additional risk for the Organization. The fact that the future decision of the ILOAT was not identified as a risk leads the staff representatives to ask whether the Organization’s internal risk management system serves any real purpose. Why, in March 2019, was provision not made for a worst-case budget scenario for the Organization, together with corrective action if it proved to be incorrect? For a long time to come, the staff representatives will be wondering how the ILO could, and can still, allow the imposition of inconsequential decisions – not to say non-decisions – that have serious repercussions on its budget and its labour relations, and which ultimately harm the same people every time: the men and women of this Organization, who, in the interest of serving constituents, have never lowered their high standards, often to the detriment of their own health.

It is time to set the record straight regarding the decision of the ILOAT and its consequences: before turning to the Administrative Tribunal, ILO staff had fought courageously for two years, alongside the unions of other organizations, to ensure that the values and principles defended by the United Nations were also respected by its technical body charged with determining employment conditions. They demanded – loud and clear, in the highest decision-making bodies – a reform of the ICSC, in order to respond to this need for transparency and rigour. They wanted a method for determining salaries, at both headquarters duty stations and in the field, which gave stable, predictable and transparent results, which are the guarantee of good governance. All these legitimate requests remained unanswered. And now that justice has finally been delivered, it has been scandalously challenged within the United Nations microcosm, as was observed during the ICSC session in Vienna this summer. The Staff Union is, in addition, particularly concerned by the current turn of events in New York, at the Fifth Committee of the General Assembly. Spurred on by the most absurd interpretation of the judgment in question, some are busying themselves with changing the rules that do not suit them, while others are seeking to discredit an Administrative Tribunal whose reputation and independence are widely recognized. As a reminder, the General Assembly is not a body for appealing the decisions handed down by administrative tribunals. Respect for the due process of law must guide the actions of all protagonists. As the ILOAT recalled in Judgment No. 4134: “[The General Assembly] must have regard to the purpose for which the whole scheme of post adjustments was established, namely to give effect to the Noblemaire principle ... That purpose is not to create economies by reducing salary costs”

In the face of such blindness, which I hope is not deliberate, and in this Centenary year, I will quote once again Albert Thomas, one of the founding fathers of the ILO, who, during a speech delivered in 1921 to the International Association for Social Progress, said: “Do not give the world the impression that human intelligence ... can be deficient and incapable of organizing society in accordance with justice! ... Justice commands, justice must triumph.”

The Staff Union also takes note of the document on the headquarters building renovation ([GB.337/PFA/2](#)), and wishes once again to draw the attention of the Governing Body to the fact that phase 2 of the renovation does not only concern the meeting rooms, but also all the lower floors of the building, where a large number of colleagues work, and where the safety and health standards are now not the same as those for staff relocated in the brand new offices on the floors above. To preserve fairness, the Staff Union calls for phase 2 work to begin without delay, so that all staff members may quickly be treated equally. The document mentions rental of office space to another organization. In that connection, the staff representatives want an upfront assurance that the space currently made available to

ILO staff is sufficient not only to accommodate labour force projections, but also to allow temporary lodging of colleagues throughout phase 2 of the renovation.

With respect to the renovation of ILO premises other than the headquarters building, the Staff Union welcomes the prompt and unambiguous preventive measures taken recently by the Director-General, with the aid of all concerned, to ensure the safety and health at work, until such a time as no doubts remain, of our colleagues working in the Bangkok Regional Office. We heard today that the same preventive measures will be applied by the other United Nations organizations occupying the same building. Reform of the UN system, to which the ILO adheres, must also include flawless coordination at the highest level, in cases where the workers of the system are at immediate risk. These latest events suggest that such coordination is possible. The Staff Union is also pleased to note the recent preventive measures taken in Beirut and Santiago in the face of social and political unrest. All staff members, irrespective of their place of work, must benefit from the same conditions of safety, health and security at work.

The Staff Union would now like to share its views with the Governing Body concerning document [GB.337/PFA/11](#): Composition and structure of the ILO staff: Action plan for improving the diversity of the ILO workforce. To recall, the Staff Union has already negotiated measures with a view to promoting greater diversity at the Office and strongly supports any additional improvements. However, we need to deal with this issue frankly: what is the ultimate aim of the exercise? To allow certain member States to get their money's worth in the form of a sufficient number of their own nationals on the staff, or to attain a true north-south diversity, diversity of ethnicity, language, gender, sexual orientation and of professional and social background, backed up by a genuine will to promote inclusion? The staff representatives, confronted daily with the problem of diversity through their participation on various internal joint bodies, believe that the question goes far beyond geographical representation linked to a passport or to financial contributions paid by member States. While supporting wholeheartedly the need for improvement, the Staff Union rejects the restrictive, mercantile vision of the problem proposed today, which shelves a more ambitious vision aimed at obtaining a workforce that is above all competent, but also varied from all points of view, giving value to the ILO's tripartite DNA. Other considerations should also be brought to your attention. The measures presented in the appendix concern only regular budget staff, while more than 40 per cent of current staff are employed on technical cooperation projects. These projects are funded by donors who are supposed to ensure diversity of recruitment, but who do not at present do so. The administration is also completely free to fill certain posts by direct appointment. Mechanisms are already in place to ensure that ILO staff truly reflect the full range of diversity. Why have those mechanisms not been put to good use? And lastly, how effective can the proposed measures be, given the extension of the retirement age to 65 and if other documents before the present session contain proposals such as a recruitment freeze?

As you will have understood, the Staff Union finds this document problematical. ILO constituents are being asked to adopt an action plan that the Union sees as no more than the bare bones of an action plan, which only covers part of the staff, is not inclusive and does not take the full measure of the problem. It appears to have been written somewhat hastily, and yet includes a precise timetable, despite the information in paragraph 4 that consultations with the staff representatives are ongoing.

Improving diversity within the ILO deserves better than this and it requires time. Diversity cannot be had to order, nor can it be bought.

The Staff Union would like to comment lastly on the document concerning proposed amendments to the Statute of the Tribunal ([GB.337/PFA/13/2](#)). The Union wants to reaffirm how important it is for international officials to be able to rely on an effective and independent system of administrative justice. It also wants staff associations and unions to have a say when their organization decides suddenly to withdraw from the jurisdiction of the ILO Administrative Tribunal. The Union took part in the long-awaited day of consultations

organized by the Tribunal and mentioned in paragraph 14 of the document. On that occasion, it was able to transmit orally and in writing all its concerns relating to the functioning of the Tribunal. It therefore dearly hopes that the meeting was not simply a box-ticking exercise and that the Union's own concerns and requests for amendments to the Statute of the Tribunal, and those of other representatives of staff associations and federations from organizations under the Tribunal's jurisdiction, will be taken into account, so that the ILO Administrative Tribunal will long be able to acquit itself in the best possible way of the high function to which it is called.

My statement is now at an end, but I should not wish to close without thanking you for allowing me the time to lay before you the positions or concerns of the staff. That possibility is not unique in the United Nations system, but the ILO Staff Union remains the most active and is the oldest staff association. Lest one centenary should obscure another, I have the pleasure to inform you that 2020 will mark the centenary of the ILO Staff Union. Our centenary will highlight the men and women who have contributed greatly to making the ILO known and valued within the United Nations system. It will also highlight the ILO's model of internal social dialogue – which may not always be effective but nonetheless remains a model, to which the staff is attached – in the hope that it may become a reality across the entire United Nations common system.

So, see you all in 2020! Thank you for your attention.

Appendix III

Response of the Director-General to the debate on the Programme of work and strategic framework for 2020–21 (Monday, 4 November 2019)

It is now my task to respond to last week's debate on the proposals for the ILO's Programme of Work for 2020–21, as presented by me in document PFA 1/1. That task is greatly facilitated, Mr President, by your own summary of the discussion last Tuesday, when you noted that there was general support in the Governing Body for the proposals. Indeed, the record shows explicitly that all Government groups and the Workers' group were ready then to support the draft decision, and with it the programme of work and the results framework presented.

Nevertheless, there were strong objections from the Employers' group, both to the content of that programme and to the manner of its preparation, and there were a considerable number of comments and questions from others concerning resource allocations, budgetary processes and the results framework, and these all require responses.

So let me address a number of issues now, and then pass the floor, with your permission, Chair, to my colleagues, Deputy Director-General Mr Greg Vines, and the Director of PROGRAM, Mr Mohui Jiang, who will address some of the more specific matters that were raised.

My first point, and I think it is the essential one, is that the crucial requirement of the programme for the next two years is that it faithfully translate and operationalize the content of the Centenary Declaration, the value of which, I note, is embraced with increased enthusiasm by all constituents.

I think it is recognized by everybody that this operationalization of the Declaration will, inevitably, be the work of more than just one biennium. But we do need to get off now on the right foot, and, with the exception that I have already referred to, it is clear from last week's debate that the proposed set of eight policy outcomes provides, to the satisfaction of this Governing Body, that required direction. They are recognized as a faithful translation of the Declaration into action. That is what matters, above all else, and for this reason, I do not propose any modification to these eight outcomes, and no additions to them.

This requires me to address more precisely two objections that were raised in respect of them.

The first is that they improperly include issues which should not be there at all, simply because there is no reference to them in the Centenary Declaration. To quote the Employer spokesperson, "The Programme and Budget has no place for issues not referenced in the Declaration, such as, for example, multinational enterprises" (MNEs). And he went on to argue that this ran the risk of diluting the focus and the value added of what we proposed to do.

This point is important, because we are indeed searching for better focus, prioritization and impact, and we see the Declaration as an instrument for this. But as I said in my introduction, the proposed programme of work is – and, I believe, should be – a judicious combination of change and continuity, because there are things that the ILO has always done and must continue to do.

This search for balance can lead us to "conundrums", to use an expression much used last week, and these conundrums can be challenging. Indeed, having argued on Monday that MNEs had no place in the programme, we heard the Employers' group stating, with no less eloquence, last Thursday precisely what the ILO should be doing in respect of MNEs. And we have still to get to the question of global supply chains. The point I make here is that when we look a little bit more closely at the issues involved, these conundrums do not really

lend themselves to hard and fast binary solutions. I trust, therefore, that the Governing Body will recognize that what is proposed in respect of multinational enterprises – which, by the way, are manifesting increasing interest in the work of the ILO – results from a balanced appreciation of our responsibilities, rather than any “ideological fascination” which the Employer spokesperson attributed to the Office.

The second objection relates to the distribution of resources among the different policy outcomes, because concerns were expressed that there is too much unevenness between them. But in fact, we have made particular efforts to invest regular budget resources in those outcomes at the bottom end of the resource scale. I mentioned this in respect of outcome 5 on skills and outcome 6 on gender, in my initial introduction. The result of those efforts is that this programme would represent more equity between outcomes than there is now or that there has been in the past. Although clearly outcome 1 on strong tripartite constituents stands ahead of the rest in terms of resource allocations, I cannot see support for transferring resources from it to the benefit of others. I again revert to the point that this biennium should be considered the beginning of a process, and that resource allocations are likely to evolve accordingly over time.

When it comes to extrabudgetary resources, where greater unevenness still in estimated receipts is evident, I do have to make the obvious point that the Office is not in a position to decide alone the purpose for which funds are made available by our development partners. Nevertheless, we will exert our best efforts in resource mobilization to meet funding shortfalls, and the Governing Body will have the opportunity to return to this when we discuss the ILO development cooperation strategy at our next Governing Body meeting. There is, in any case, good reason to hope – and this is a positive point – that the momentum created by the Centenary Declaration for emerging priorities will help us move forward in these regards.

A further objection which I must address was raised, again by the Employers’ group, in relation to process rather than substance. It was said that the preparation of the proposed programme was not a consultative process, and that its content suffered as a consequence. So let me place the facts before the Governing Body.

Informal consultations were initiated with the group secretariats on 28 June – one week after the end of the International Labour Conference – on the possible scope of policy outcomes. A round of formal consultations with the three groups followed, from 15 to 17 July. Then, on 1 August, a summary of draft policy outcomes was sent for comment. Further informal consultations with the groups on the summary were organized from 2 to 6 August. And upon the publication of the proposed programme of work on 16 September, a further informal round was organized for 8 October. I am sorry to load all of these dates upon you, but the point is that whatever shortcomings the proposals may contain, they are not for want of consultation. This was an intensive process of preparation, with intensive consultation and with equal opportunities for all. It was sincerely undertaken and I think it was fruitful.

Before moving on to some more specific points of substance, allow me to address some issues concerning the budgetary process behind the proposed programme, in the light of some of the comments that were made on the relationship between the strategic and the operational budgets in particular. Here, perhaps, some longer-term perspectives can help to cast light on the direction of travel that our Organization has been pursuing, in fact for several biennia now.

Because the programme and budget approval process we have been undertaking this year is in fact the latest step in a long journey, initiated by my predecessor under the guidance and direction of the Governing Body, to have the ILO budget presentation reflect emerging best practice. Strategic budgeting was introduced as a first step towards full results-based budgeting, and eventually results-based management, which is recognized as best practice in the public sector and is prevalent now across the UN system.

We know we have not got there yet, but we have come a long way, and I believe we must persist. So the many offers from Government members in particular of this Governing Body to work with us and assist us in further improvements are indeed very welcome. Your comments and advice have been well noted and we will soon have the opportunity to advance further when we start the programme and budget process for 2022–23 in just a few months. It is encouraging that past progress has been recognized regularly, and our assurance to you is of our continuing commitment to strive to meet fully your governance expectations of us.

It is in this context that the Governing Body – rightly, I think – focuses its review and its guidance on strategies and governance matters, attributing to the Office its responsibility to implement and to operationalize your strategic decisions. My colleagues and I do this through the allocation of approved strategic budget resources to the operational levels of outputs and organizational units. Subsequently, our implementation performance is reported to you at the end of each biennium in the programme implementation report.

I was encouraged to hear many interventions last week which, directly or indirectly, recognize this appropriate separation of complementary roles, as well as the improvements being made. I want to say that I think that it is important that we continue to respect this separation as the basis of good governance and accountability. I would like to assure the Governing Body once again that the specific guidance and suggestions that have been offered will help us greatly as we implement the proposed programme of work.

The Governing Body will be aware that the budget adopted by the Conference in June is fully consistent with this strategic approach. Moreover, the new results framework with its three tiers of planning with indicators to track progress, embodying a theory of change, constitutes a step change in accountability of the Office to the constituents.

It responds as well to a whole series of past decisions and guidance: the 2016 Conference resolution on Advancing Social Justice through Decent Work, for example, and successive External Auditors' reports – the Multilateral Organisation Performance Assessment Network (MOPAN) Institutional Assessment Report among them. So it is surely right, is it not, that we press forward along the path that we have decided upon, and not take the type of U-turn that would take us away from best practice and back towards some of the shortcomings of the past.

This said, and in order to promote the fullest sharing of knowledge, an information note has been distributed in the room just now, and it addresses further the link between strategic and operational budgeting.

At this point, Mr Chair, I would like to ask our Deputy Director-General, Mr Vines, and the Director of PROGRAM, Mr Jiang, to take the floor briefly to respond on some specific points and questions which were posed by members of the Governing Body last week, and also to introduce the information note. Following that, I will myself make some further comments. With your permission, Sir.

[Statements by Mr Vines and Mr Jiang]

Following those very comprehensive explanations, let me move towards a conclusion with just a few more comments on a number of matters concerning some specific policy outcomes.

I will start with proposed outcome 1, which is all about strong tripartite constituents and influential and inclusive social dialogue, to which more resources are allocated than any other, and for good reason, because its critical importance is, I think, recognized by us all. Here, the objection, voiced with some force by the Employers, is that putting together outputs for workers and for employers, for labour administration and for social dialogue in one outcome is inappropriate and contrary to undertakings previously given.

I want to put it to you that neither contention actually stands up to reasonable examination. During the Conference, and prior to approval of the 2020–21 budget, or indeed the approval of the Centenary Declaration, the Employers did seek assurances from me that

employers' activities would not be adversely affected by the savings that we were obliged to identify in the Policy Portfolio to cover increased contributions to the UN resident coordinator system, and that these activities would remain self-standing within whatever new format was to be adopted and that they would not be "mainstreamed". These assurances were given and they have been honoured in my proposals.

Certainly, there is no argument in respect of resource volume, I think – although the Employer spokesperson has subsequently asked not only that the resources concerned be protected, but that they actually be increased. But my understanding is that, notwithstanding what is clearly said in output 1.1, it continues to be felt that its location in the broader outcome 1 is evidence of a deal broken, and a promise not kept.

Frankly, this is puzzling, in the sense that separating output 1.1 as a separate outcome, for example, would have no material effect that I, or indeed the Employers' group, have been able to identify. It has been argued that outcome 1 as proposed would create confusion, and if the reference there is to ILO staff, then I can provide the necessary reassurance. It has also been argued that it would relegate the role of employers' organizations solely to that of a partner in social dialogue and nothing more. And yet, that is not at all what is said in output 1.1, nor in outcome 1. Certainly these concerns have not been echoed by the Workers' group, which might be considered, objectively, to share the same interests. Nevertheless, the Workers did highlight one point with regard to outcome 1, where they highlighted that language used in outputs 1.2 and 1.4 and an accompanying indicator appear to conflate collective bargaining with social dialogue and other forms of workplace cooperation. As my colleague Mr Jiang has recognized, it has to be made clear that collective bargaining should be properly distinguished as a fundamental right, and treated accordingly. In similar terms, I would agree with the Workers that it is the basic requirement of labour legislation that it secure full respect of all fundamental principles and rights at work, and that this purpose cannot be qualified in any way by other considerations. Let me say unequivocally that this is the principle that will guide all relevant ILO technical work.

Finally, let me come back to two major thematic areas which were the subject of considerable comment, namely skills and lifelong learning, which is taken up in outcome 5, and the issue of productivity, which, while closely linked to outcome 4, has broader implications.

On the former, there was strong support for the establishment of this new outcome across the Governing Body, but I did detect some frustration that the level of resources devoted to it, and the levels of ambition in the relevant indicators, were not higher. In that regard, let me acknowledge the great importance attributed to skills and lifelong learning in the Declaration, and the need for the ILO to progressively develop further its activities – quantitatively as well as qualitatively – as we go forward. This biennium, again, is a beginning.

In this regard, let me note the decision which the Governing Body has just taken to place a general discussion item on skills and lifelong learning on the agenda of next year's session of the Conference. It seems to me that this provides an ideal and early opportunity to move quickly and decisively in the direction that we want. And let us not forget that this will be followed up in 2021 by the first year of the standard-setting item on apprenticeships. These are important signposts for the way forward, and indicate that the strategic approach to Conference agenda-setting is yielding its benefits.

Finally, I have been most attentive, Mr President, to what has been said in respect of productivity. The Employers' group has made clear that this is a "huge priority" for it and has called for a "comprehensive strategy" to address it, in the light of what is said in the Centenary Declaration. Clearly these are not concerns exclusive to any one group.

Having thought a bit about the questions involved – and I think there are many of them and that they are complex – I do think it is necessary for a deeper consideration of the role of the ILO in respect of productivity – what we should be doing, and what we should not be

doing– so that our distinctive role is properly circumscribed and elaborated within the parameters of the ILO’s mandate.

For this reason, let me give the Governing Body early notice that I will devote my own report, the Director-General’s Report to the next session of the Conference – one of the few things I get to decide by myself – to the issue of productivity and decent work. I think that by addressing issues of strategic importance to the ILO in a timely manner, these reports have demonstrated their worth in recent years and helped to move the Organization in helpful directions. I hope we can keep up this practice with the issue of productivity next year at the Conference.

On the basis of these comprehensive responses – I think you will agree – and the clarifications provided, I trust that the Governing Body will now be in a position to approve the programme of work that has been proposed.

Thank you for your attention.