

UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/5535
4 October 1963

ORIGINAL: ENGLISH

Eighteenth session
Agenda item 33 (b)

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

ACTIVITIES OF THE UNITED NATIONS IN THE
FIELD OF INDUSTRIAL DEVELOPMENT

Summary of the activities of the specialized agencies and of the International Atomic Energy Agency and their comments on the report of the Advisory Committee of Experts (E/C.5/29): note by the Secretary-General

The attached report from the International Labour Organisation is submitted to the General Assembly in pursuance of paragraphs (b) and (c) (ii) of Economic and Social Council resolution 969 (XXXVI). The reports received from other specialized agencies and from the International Atomic Energy Agency are being issued as addenda to the present paper.

THE INTERNATIONAL LABOUR ORGANISATION
AND INDUSTRIAL DEVELOPMENT

Introduction

1. Under Economic and Social Council resolution 969 (XXXVI) concerning industrial development activities of the United Nations system, the specialized agencies and IAEA have been invited to submit, through the Secretary-General, to the eighteenth session of the General Assembly, such comments as they may deem appropriate on the report of the Advisory Committee of Experts on the Industrial Development Activities of the United Nations System,^{1/} a summary of their activities in their general areas of competence and specifically in the field of industry, and such analysis of budgetary trends as may be helpful in providing a meaningful interpretation of their activities.
2. The present paper, submitted in response to the request of the Economic and Social Council, comprises comments on the report of the Advisory Committee of Experts on industrial development framed in a general discussion of the industrialization in relation to the activities of the United Nations system, an indication of the trends of the International Labour Organization budget, and some remarks on the activities of the ILO, supplemented by a full account of ILO activities related to industrial development which is contained in the Annex to this paper.

A general approach to industrial development

3. Industrial development has come to be the symbol of the aspirations of the developing countries as well as the key to the fulfilment of these aspirations, because it is the most powerful single tool in the achievement of the basic aim of these countries, the raising of the standard of living of their people in conditions of freedom and dignity. Industrial development increases production in terms of volume and value. It also permits a fuller use of natural resources and a diversification of the economy, thereby promoting greater stability and self-reliance, which are essential to prosperity and true independence. Finally, industrial development affords a general stimulus to the

^{1/} E/3781, annex VIII.

economy which has wide-spread and ever-widening effects on all branches of economic activity and, ultimately, on the well-being and advancement of the whole population. These virtues of industrial development should not, however, obscure the fact that it remains but a tool in the achievement of a broad human aim, a means of benefiting men, and is not an end in itself.

4. The many rewards of industrial development can, therefore, be reaped only if it takes place in conditions that will both ensure its own success and maximize its contribution to the ultimate goal of raising standards of living. This calls for a number of complex, interlocking measures, and if the Report of the Advisory Committee of Experts is of value in stressing the importance of increased efforts in the field of industrial development, and in outlining the organizational schemes which, in the view of the Committee, might promote such efforts, that Report perhaps does not devote to these measures sufficient attention to place industrial development in this context. An assessment of the measures to be taken can best take place in the light of a review of the major factors involved in industrial development and, for this purpose, it will be more convenient and effective to sketch a tentative general approach to the problem than to submit more detailed and fragmentary comments directed to specific passages of the report of the Advisory Committee.

5. Before industrial development can take place, before, indeed, any form of development can take place, a number of basic pre-conditions must be met. First of all, human activity can thrive only within the framework of law and order which, in the modern world, requires to be supplemented and buttressed by an increasingly wide array of measures lying within the scope of government, so that comparatively complex public institutions and a competent and devoted civil service become essential. Health and education are no less important, and from a different but equally imperative point of view, so are communications, the traditional and still indispensable road, rail and water, to which must be added today aviation and telecommunications, and the supply of water and power. These elements of the infrastructure of a country, in the modern sense of the word, are so closely interwoven that priority cannot be assigned to any one of them, and they constitute basic aims which should, to a large extent, all be pursued simultaneously, but their achievement must, at least in a large measure, precede any attempt at industrial development.

6. Agricultural development, although distinct from industrial development, cannot be divorced from it since, in at least two respects, these forms of development are interdependent. In the first place, an industrial labour force, which industrial development will at the same time require and create, has to be fed and, in most under-developed countries, this necessity must be met at least in part by increased local food production. In the second place, an internal market for manufactured goods can be developed only if the agricultural population, which will remain for some considerable time the majority, enjoys higher purchasing power, derived from increased food production and consumption. Thus industrial development requires and stimulates rural development, which cannot be left out of account in any sound industrial development scheme.

7. While the development of small-scale industry may be regarded as part of industrial development in its wide sense, its relationship to the development of heavy and manufacturing industries should, nevertheless, be emphasized. Small-scale industries may, in a number of cases, provide a ready and important market for industrial supplies, tools and small machines produced by heavy and manufacturing industries. Furthermore, small-scale industries may enable part of the population to familiarize themselves progressively and without special instruction or efforts, with at least the bare essentials of mechanical and industrial processes, which in turn may assist in building up, in a mainly rural, under-educated population, the skilled labour force essential to industrialization. Small-scale industries can also make a contribution in satisfying an increased demand for manufactured goods at comparatively low cost where the size of the market is too small to allow of the economic operation of more efficient but large-scale production units, or where the capital cost of such units is for the time being beyond the means of the country. Finally, in either of these cases, small-scale industries may provide productive employment and thereby increased purchasing power for manufactured goods. No doubt, the case for small-scale industries should not be exaggerated, but, at least in the initial stages of industrial development, they provide immediate advantages for which large-scale industry, with its heavy proportion of costly equipment to labour, will only progressively provide a satisfactory substitute. It may, therefore, be concluded that the development of small-scale industries cannot be left out of account in any balanced scheme for the development of heavy and manufacturing industries.

8. A brief enumeration of the manpower problems involved in industrial development will suffice to place in focus the vital role of human resources. It is obvious that without a skilled labour force there can be no industry. It is therefore essential to the process of creating or expanding industries to assess in terms of skills and number both what manpower is available and what is required. After an evaluation of needs and resources, unfulfilled requirements will have to be met through vocational training in combination, where appropriate, with basic education, and the result of the evaluation may, moreover, condition the nature, extent and pace of industrial development. Furthermore, if economic development is to make effective use of a country's labour force, it should create productive employment on as wide a scale as possible, and development plans will have to take into account the wider employment picture. The growing awareness of the importance of labour as an economic factor in development underscores the validity of the proposition that the real and ultimate source of wealth lies in human resources. It follows that both at the planning and at the execution stages, industrial development is dependent upon manpower resources and that its ultimate success requires considerable efforts in the fields of manpower planning and organization and vocational training and education.

9. One of the conditions of success of any industrial development scheme to which attention should now be drawn is the careful study of the needs and possibilities of the country concerned (resources - human and material - distribution of income, potential markets, consumer preferences and buying patterns, industries and markets in the same region, etc.) and the designing of a programme of industrialization calculated to match these possibilities and needs to the optimum degree. In this process the various elements already mentioned will play their part, but the over-all assessment of the situation and the devising of appropriate solutions may be said to constitute the essential planning factors. In this connexion, it must also be pointed out that there is no general formula for industrial development is applicable to each and every country in the world, as there is a wide degree of differentiation in the absolute and relative levels of industrialization which have been attained by the developing countries. Some of these countries may have achieved a high degree of industrialization

in absolute terms, with a wide diversity of industries, although industry remains under-developed in relation to total population. The problem is totally different where a country has a certain amount of industry but its distribution is very uneven, with an excessive concentration in a few branches of industry, and so is it again, where industrialization has barely begun. Industrial development must, therefore, be approached in the light of national and, having regard to the interaction of industries and markets in other countries within the immediate region, on regional requirements rather than on a universal basis. It should, however, be carried out by balanced teams which should include, for instance, economists, engineers, manpower specialists, management and productivity experts and marketing specialists.

10. Likewise, capital investments, and their financing, choice of technology, methods of production and equipment, and marketing are at the heart of industrial development. Not only are they interdependent, in that, for instance, advance planning of production to meet determined needs may reduce the scope of marketing, but they also involve a variety of related but distinct problems. Capital investment involves capital formation problems, savings, fiscality, budgeting, foreign aid, foreign investments and currency exchange. Applied technology and production require management development along with the setting up of new industries, and the improvement of productivity. And both the planning of outlets and marketing involve international trade which, next to industrialization, is today the gravest concern of developing countries. While these problems are closest to the promotion of manufacturing industries and, together with it, may well constitute the hard core of industrialization to which most attention has been devoted in current discussions and, more particularly in the Report of the Advisory Committee of Experts, a very cursory analysis of their nature and implications emphasizes the difficulty of isolating them from the broad context of over-all economic and social development.

11. The profound impact of industrialization on traditional social patterns cannot be disregarded, and calls for a series of measures without which the benefits of industrialization would be lost. In the widest human context, sociological research would afford valuable, indeed necessary, guidance in human adaptation to changing circumstances. Industrial relations, which play an essential part in shaping work organization and discipline, and the distribution of the fruits of work in the form of wages and a share in the profits, arise whenever an employer-employee relationship is created and industrialization is bound to /...

increase enormously the scope and importance of that relationship. Conditions of work, their regulation and control, as well as basic attitudes towards industrial work and technological changes also follow industrial development and condition its success. Finally, housing, building and town planning, which are also an important component of the economic process of industrialization, must make a significant contribution to the problem of urbanization which is bound to be aggravated by the development of industries, in that it may result in a rapid increase in existing urban population or determine the development of new population centres of an urban character. Again, these considerations emphasize the relationship between industrialization and a number of apparently distinct fields of activity.

12. The conclusion to be drawn from this brief restatement of what may be regarded as the commonplaces of industrial development is that industrialization, and in particular the promotion of manufacturing industries, which means the achievement of human progress through higher standards of living, cannot be treated as isolated problems capable of solution through specific techniques, but must be integrated into balanced general development plans or at least take into account the broad aims of such plans as well as a wide variety of distinct but related problems. No doubt, it would be a mistake to delay industrial development until advances are made or under way in all other fields. Both because of the extent of the material benefits it confers and of its role in stimulating the entire economy, industrial development must proceed without delay and may well lead the field. However, if industrialization is to succeed, and to achieve its ultimate aims, a general mobilization of resources, skills and techniques is called for. To this end, a collective effort of the whole of the United Nations system is necessary and all its resources must be marshalled to best advantage around the focal points of industrialization through a concerted and co-operative programme.

Organizational Arrangements

13. Several organizational schemes, designed to provide the framework for enhancing activities of the United Nations system in the field of industrial development are currently under consideration. The Advisory Committee of Experts has suggested the establishment, within the United Nations, of a largely autonomous organ with independent financial resources and executive functions as a preferable alternative to the creation of a new specialized agency responsible for industrial development, or the strengthening of the existing Industrial Development Centre.

14. In its 28th Report, the Administrative Committee on Co-ordination expressed the following views:

The ACC has had an opportunity of giving some preliminary consideration to the report of the Advisory Committee of Experts on industrial development activities of the United Nations system appointed by the Secretary-General in accordance with the Council resolution 873 (XXXIII), which became available on the eve of its present session but has not yet been considered by the Committee for Industrial Development of the Council. The ACC concurs in the view expressed by the Advisory Committee that in assisting the developing countries to attain higher rates of economic growth by an increase in their manufacturing output which would contribute to safeguarding their independence and helping to close the gaps in standards of living between the more developed and less developed countries the United Nations could, and should, play an important role; it regards this as one of the most urgent of the immediate responsibilities of the Members of the United Nations family concerned and will continue to work in the closest co-operation with the Council and with the Committee for Industrial Development to this end. The ACC agrees with the conclusion reached by the Advisory Committee that the establishment of a new specialized agency would not, in view of the nature of the problem, and the probability that it might lead to a less advantageous use of resources by duplicating existing facilities and services, and also render the task

of co-ordination more complex, be the most appropriate way in which to ensure that all of the available and potential resources are fully and effectively mobilized to this end. It would appreciate being further consulted in regard to the whole matter when the Committee for Industrial Development and the Council have had an opportunity of considering the report of the Advisory Committee. While concurring that it is desirable to take steps to ensure that the leadership and impetus necessary for expanded action are effectively provided, the ACC attaches great importance to avoiding such a fragmentation of the general field of economic policy as to make effective United Nations action more difficult. It also considers that all of the details of the proposed United Nations industrial development organ would need most careful consideration in order to ensure that the fullest use is made of existing resources, facilities and services.^{1/}

15. A choice between the alternatives considered by the Advisory Committee of Experts, to which must be added the suggestion, mooted at the third session of the Committee for Industrial Development, of a co-operative programme of the United Nations and the specialized agencies, in which leadership and co-ordination would be provided by the Industrial Development Centre, must obviously rest on an assessment of the effectiveness of the contribution of each solution in relation to the existing and the potential resources, to the extent that they may be made available, to industrial development.

16. Whichever organizational scheme is ultimately chosen, any such scheme, to be successful, should meet two requirements already mentioned briefly in the comments of the Administrative Committee on Co-ordination, and on the importance of which the foregoing outline of a general approach to industrial development places further stress. In the first place, in order to achieve its ultimate as well as its immediate aims, industrial development must be integrated into or lead to balanced general development plans, and draw sustenance from as well as stimulate activities in the many related fields. In the second place, since industrial development touches upon and is dependent upon so many inter-connected

^{1/} E/3765, paragraph 133.

but distinct factors, twin perils have to be avoided: on the one hand, a balanced, comprehensive programme of activities, if carried out on a self-sufficient basis might well involve considerable and wasteful duplication of existing activities, the avoidance of which would raise almost insuperable co-ordination difficulties; on the other hand, a self-contained programme limited to the specific problem of the development of manufacturing industries, on which so much stress is laid in the Report of the Advisory Committee, if divorced from the distinct but related activities which form its broad context and which will bring it both support and stimulation might well prove too narrow and lacking in the deep wide-spread roots essential to its success.

17. What matters, then, is not so much the nature and scope of organizational arrangements as the devising of a programme which will cover gaps and above all provide the leadership necessary to the achievement of its central purpose, while drawing to the greatest possible extent on existing resources, facilities and services.

The Role of the ILO in a Comprehensive Industrial Development Programme

18. Any general programme based on the considerations discussed above, in whatever institutional framework it is to be carried out, will require central leadership both to secure co-ordination and to inject a sense of purpose into the execution of the many widely varying but complementary tasks which are to contribute to its balanced implementation.

19. Whether the institutional arrangements finally decided upon are limited to an increase of activities within the existing framework of the United Nations system or whether that framework is to be modified and expanded, the Industrial Development Centre would appear to provide the organic point of growth of a broad industrialization programme, because of the nature of the problem and of the special responsibilities of the United Nations in the field of co-ordination. The Secretary-General, and the Commissioner for Industrial Development should, therefore, play a major part in the establishment and implementation of a broad plan.

20. While attention has already been called to the necessity of avoiding duplication of activities, it is equally vital to detect and fill significant gaps in the spectrum of activities of the United Nations system which contribute to industrial development, and in this respect also, the Industrial Development Centre should play a prominent part. The ILO is not in a position to make an exhaustive assessment of gaps in the field of industrialization but, as a contribution to this common task, attention should be called to the fact that in the light of ILO experience there is need for new or expanded activities in at least two fields.

21. First, increased action in promoting the planned establishment and operation, as opposed to haphazard growth, of new industries would be desirable and, if undertaken within the framework of a broad programme would stimulate and facilitate the forecasting of manpower needs, the establishment of training schemes, and management development prior to and with a view to the establishment of new industrial plants. Second, the development of technical services to advise private and public industrial undertakings on the choice of equipment would be of considerable value to developing countries since, as experience shows, without such guidance, unsuitable equipment is often purchased because of ignorance of precise requirements for particular operations, or of the types of equipment available.

22. The contribution to industrial development which the ILO is making and will continue to make within its own programme of activities can be gauged from the summary of its activities related to industrial development which is annexed to this paper. However, this summary is, of necessity, cast in terms of activities directed towards the specific aims of the ILO, and it might be helpful to attempt to give a tentative indication of the manner in which these activities could be fitted in a general programme specifically aimed at industrialization. No doubt, the outline below should be discussed and revised jointly by the interested organizations, who should also indicate the nature and scope of their contribution, which the ILO has not attempted to outline, but it may nevertheless be of value in considering the general lines of a concerted programme.

(a) Infrastructure: Technical co-operation in the development of basic government services, health and education, which are increasingly regarded as profitable fields for predevelopment investments, as well as communications and power supply would appear to fall primarily within the competence of the United Nations and of specialized agencies other than the ILO, though the ILO is, of course, directly concerned, as regards the health field, with occupational safety and health. Moreover, it should be mentioned that the ILO is already doing considerable research into earth moving, especially by manual means, for the purposes of furthering employment and of reducing the infrastructure operations in the field. Considerable work is also being done in the management of transport industries and ports. As a special facet of public administration, the ILO is also rendering assistance in the development of labour departments and the training of their staff.

(b) Development surveys and feasibility studies: Attention has already been drawn to the necessity of an integrated framework as a complement to central leadership and initiative in this field. The ILO would have important contributions to make in several respects, such as manpower planning and training, management training in connexion with the setting up of new industries, determination of labour costs, which have to be taken into account in deciding which industries to develop, and industrial relations, which play a significant role at the very start of industrialization.

(c) Formulating a development programme: This is of course closely linked to development and feasibility surveys which may either prepare or include general development plans. Where the establishment of the latter constitutes a separate phase, a co-operative endeavour is likewise required and the ILO could supply the same kind of assistance as in the previous phase, but extended to the national or even regional level. In this connexion, as pointed out earlier, neither the agricultural sector, nor the small-scale industries sector should be left out of account.

(d) Capital investments and financing: This field is largely outside the scope of the ILO, except in respect of investment in human resources and the investment aspects of a high level of employment.

(e) Technology, methods of production and equipment: This field is also largely outside the scope of the ILO, and attention has already been drawn to the need for advisory services for the selection of equipment, but the ILO is concerned with management training, which if started at an early stage may assist in the adaptation of equipment and buildings to real needs, and with employment, which is closely connected with methods of production.

(f) Establishment and operation of new industrial undertakings: Attention has already been drawn to the need for increased efforts in the planned establishment of industrial undertakings. For its part, the ILO could make a significant contribution in training the required manpower, and could also afford assistance in management development.

(g) Marketing and trade: This field is also largely outside the scope of the ILO although the management aspects of marketing and some of the wider social aspects of trade are of concern to the ILO.

(h) Social Consequences of industrialization: As indicated earlier, this problem has many aspects, but the ILO could also make a significant contribution in respect of industrial relations, wages and incentives, and more generally the broad social problems of an industrializing society.

23. It should be added, at this stage, that the United Nations Regional Economic Commissions, and their planning and development institutes also, have a significant part to play in the various phases of a broad industrial development programme, having regard, in particular, to the different degrees of national development, which may well dictate solutions specially designed for local or regional needs.

24. These very brief indications should of course be supplemented by reference to the more detailed account of ILO activities which appears in the last section of this paper, but it appeared that if more than cross-references were included, the outlines of a comprehensive programme would become blurred and the possible contribution of the ILO would no longer be placed in proper perspective. It is hoped, however, that this brief and modest check-list may be of assistance in indicating the lines along which a constructive programme

of industrialization would be devised to make the fullest use of the existing resources of the United Nations system, to fill gaps, and to provide a framework for the expansion and co-ordination of the combined effort required to secure balanced industrial development.

Analysis of Budgetary Trends

25. It must be pointed out that total figures by agency for the regular budget, EPTA, Special Fund and Funds-in-Trust appropriations for the last few years might easily be misleading. The total effort of the ILO may be said to contribute to general development objectives of which industrial development is an essential element, but the ILO would not advance the claim that its total financial resources are applied to an even very wide concept of industrial development. Conversely, it would be equally wrong to conclude that since general labels "labour", "social activities", "improvement of working and living conditions", sometimes conveniently used to describe the field of activity of the ILO, bear no immediately apparent connexion with the forest of smoke-stacks of brand new manufacturing industries (an equally convenient simple image of industrial development) the total financial resources of the ILO are used for purposes other than industrialization. Nor would it be correct to assume that, as part of the activities of the ILO, contribute directly to industrial development, the progressive increase of its resources proportionately reflects the increase in industrial development activities, because the relative importance of such activities may vary from year to year and activities in fields such as management development and productivity have, in fact, tended to expand rather more rapidly than long-established activities in traditional fields. It is therefore subject to these remarks that the following figures are supplied.

26. On the other hand, a full breakdown of ILO expenditures on industrial development cannot be attempted. In the first place, the budget and financial practice of the ILO are not based on a series of independent, limited "projects", but on activities of a continuing nature, which are directed towards particular problems as a means of achieving ultimate objectives of a permanent nature. Quite apart from the difficulty of establishing a reasonably

STATEMENT OF EXPENDITURES INCURRED BY THE ILO

	1958	1959	1960	1961	1962	1963 estimate	1964 estimate
Regular Budget	8,095,398	8,613,878	9,583,933	10,414,278	11,618,838	14,006,834	16,977,156
EFTA	3,422,850	3,362,166	2,744,788	3,120,826	4,403,060	4,451,000	4,295,000
Special Fund	-	-	302,702	1,512,301	3,891,399	8,337,900	9,352,100
Trust Fund	77,213	141,156	259,044	157,106	180,004	300,000	300,000

realistic distinction between supporting and servicing costs and costs of directly productive activities, it is almost impossible to assess fairly the part of mutually complementary research, standard-setting and technical co-operation activities in a given field of activity. In the second place, assuming that a convenient though arbitrary rule of thumb could be devised to overcome these difficulties, an analysis of the pattern of expenditures devoted to industrial development begs the question of the frontiers of industrial development which have not hitherto been delineated with sufficient precision for this purpose. 27. However, it may be indicated by way of illustration that the ILO programme in the field of productivity improvement and management development, which is entirely devoted to industrialization, started in 1952 with two small missions employing some six experts and in 1963 has increased to nearly 30 missions employing 90 experts. A very sharp rise has occurred since 1960 with the coming of the Special Fund. Over-all expenditure under all budgets for this area of activity was approximately \$770,000 in 1961 and rose to nearly one-and-a-half million dollars in 1962 and nearly three million dollars in 1963. 1964 will see a further increase in this expenditure and the number of experts on mission will exceed one hundred. During the period 1960 to 1963, Headquarter staff engaged in all activities relating to management development has increased from one full-time professional to 14 professionals and seven supporting staff.

Account of ILO Activities in its
General Area of Competence

28. As regards the activities of the ILO in its general area of competence, a full account of its basic responsibilities and of its current activities is to be found in the annual reports of the International Labour Organisation to the United Nations, submitted, since 1947, in accordance with Article V, paragraph 2(a) of the Agreement between the United Nations and the ILO. While much of the information contained in these reports, which could not be compressed within the compass of a convenient brief note, remains of permanent interest, an account of the current position, to be found in the XVIIth Report of the ILO to the United Nations (1963), might usefully be referred to for background information.

Account of ILO Activities in the
Field of Industrial Development

29. As indicated in the foregoing sections, a number of activities of a general nature do contribute directly or indirectly to industrial development but cannot be listed under this heading without unduly stretching its scope. However, the account of such activities of the ILO as fall directly in the field of industrial development or directly contribute to such development, submitted to the Third Session of the Committee for Industrial Development (E/C.5/34) has been brought up to date for submission to the General Assembly and is annexed to this paper.

Geneva, 22 August 1963

ANNEX

ACTIVITIES OF THE ILO IN THE FIELD OF
INDUSTRIAL DEVELOPMENT

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THE INTERNATIONAL LABOUR ORGANISATION AND
INDUSTRIAL DEVELOPMENT

I. Introduction

1. This memorandum describes activities of the International Labour Organisation related to industrial development in under-developed countries. It will be seen that these activities are quite substantial. But in order that their scope and nature may be seen in a proper perspective, some brief comments may first be made on the general nature of the work of the Organisation, and its evolution.

2. Shortly after the War a decisive change began to take place in the main emphasis of the activities of the ILO. Early in 1957 this change was described by the Director-General in the following terms:

"In the past, a very large part of the ILO's work was aimed at setting 'fair' labour standards, on the theory that such standards, accepted by all competing countries, were needed to avoid 'unfair' competition in international trade. Indeed, to put it bluntly, an implicit purpose of the early ILO was to prevent any country, and particularly the less industrialized countries, from entering into international trade competition on the basis of cheap labour standards. Hence the concentration on the adoption of conventions and recommendations aimed, directly or indirectly, at formulating a body of uniform labour standards which would, it was thought, take human labour out of the world market place and help to equalize labour costs from one country to another.

Now, by contrast, a very great part of our effort is directed towards enabling countries to develop their industries and particularly towards promoting economic expansion and social growth in the less developed countries."^{1/}

3. This shift in the main direction of the Organisation's activities is clearly reflected in the growth and changes in the organizational structure of the International Labour Office. For example, from 1949 onwards a relatively small Employment and Migration Section, with mainly research and standard-setting functions, developed to become the Manpower Division, which at the moment is the largest technical division in the Office, very largely concerned with the field work regarding manpower organization and vocational training activities described below.

^{1/} David A. Morse: "The International Labour Organisation in a Changing World" in The Annals of the American Academy of Political and Social Science, March 1957, p. 33. /...

Similarly, as is noted below, technical assistance in the fields of productivity improvement and management development was started in 1951 in the Economic Division, but this work has now grown to a point where it became necessary to entrust it to a separate division - the Management Development Division. Again, the former Co-operatives and Handicrafts Service has been expanded and converted to become the present Co-operatives and Small-Scale Industries Division.

4. But it must be stressed that the scope and nature of the ILO's work in the field of industrial development as a whole, and of specific areas within that field in particular, cannot be measured simply by the size of budget and staff of certain technical divisions. In the first place, almost all the field work (especially that undertaken under the Expanded Programme of Technical Assistance and Special Fund projects) is carried out by temporary staff (at 31 October 1962 there were 339).^{1/} Secondly, the shift in emphasis mentioned in paragraph 2 above has profoundly affected the Office as a whole and industrial development in under-developed countries has in fact become the focal point of most of the Office's work. A large proportion of the general research undertaken in, for example, the Economic Division and the Statistical Division, is largely directed towards industrial development. Furthermore, the ILO's concern with industrial development is not limited to technical training and questions of the organization of production, but it includes as an essential element the development of industrial relations. The ILO's unique advantage in handling this crucial aspect of industrial development is, of course, the tripartite structure of the Organization.

5. It must also be observed that the ILO has a mandate to pursue vigorously the activities relating to industrial development described below. The work of the Office as determined by the International Labour Conference and by the Governing Body reflects the express wishes of the Member States, including especially the desires of Governments, employers' and workers' representatives from under-developed countries. These wishes have been expressed in many resolutions, adopted by the International Labour Conference but also, and especially, by regional conferences at which the large majority of delegations came from under-developed countries.

^{1/} This figure is made up as follows: EPTA, 179; Regular Programme, 40; Fund in Trust, 9; Special Fund, 111.

By way of example reference may be made to various resolutions adopted by the International Labour Conference, such as the resolution on economic and technical assistance for the promotion of economic expansion and social progress in developing countries, adopted at the 1961 Session of the Conference, and the resolutions concerning small-scale industry in developing countries, and concerning the United Nations Development Decade, adopted at the 1962 Session.^{1/} Attention may also be drawn to the resolutions concerning international technical assistance in the field of supervisory training; concerning vocational and technical training, and concerning the work of the ILO in Africa (especially Part V regarding the training of management of small and medium-sized undertakings) all adopted by the First African Regional Conference of the International Labour Organisation at Lagos, December 1960.^{2/} Similarly, the Seventh Conference of American States Members of the ILO at Buenos Aires in April 1961 adopted resolutions concerning management development and the raising of productivity; concerning vocational training; on technical assistance in the field of manpower; and concerning manpower assessment and planning.^{3/} Again, the Fifth Asian Regional Conference of the Organisation held in Melbourne in November and December 1962 adopted a resolution on vocational training and management development activities of the ILO.

6. The most important conclusion to be drawn from the above seems to be that the ILO will certainly have to continue devoting a very large proportion of its resources to fostering those aspects of industrial development that are within its general field of competence as described below. The volume of the resources available for this purpose has risen very considerably during the past decade, especially due to the growth of the Expanded Programme and of the United Nations Special Fund. These resources cannot yet be considered adequate. Their increase depends on the willingness, especially of the industrialized countries, to assume additional financial burdens in order to achieve the objectives of the United Nations Development Decade. Finally, it should be noted that thanks to the establishment of the United Nations Centre for Industrial Development the possibilities of co-ordinating ILO activities relating to this field with the work of other agencies have increased very considerably.

1/ ILO: Official Bulletin, 1961, No. 1 and 1962 No. 3, Supplement I. Reference is made below (paras. 54 and 55) to Conference resolutions regarding the ILO's task in the field of industrial relations.

2/ The texts of these resolutions can be found in the ILO Official Bulletin of 1960, No. 4.

3/ ILO: Official Bulletin, 1961, No. 2.

II. Manpower Planning and Information

A. Research and Studies

7. The ILO's activities concerning manpower planning for economic development serve two main purposes. The first is that of achieving a high level of productive employment especially in conditions of wide-spread under-employment and fast population growth. The second purpose relates to the planning of vocational education and training facilities, and other ways of providing needed skills - managerial and technical personnel as well as skilled workers. A great deal of the practical work in this field is concerned with the establishment of service for the continuing collection and analysis of information necessary for manpower planning.

8. The subject of policies for a high level of employment in under-developed countries is still largely a matter of research. A substantial experts' report on Employment Objectives in Economic Development was published in 1960. This report was made available to the members of the Committee for Industrial Development at its second session. Following a resolution adopted by the 1961 Session of the International Labour Conference, further substantial studies are now being prepared in the Office for a technical conference on employment policy to be held at Geneva in October 1963. It is expected that research in this field will be vigorously pursued in the future with a view to developing conclusions for practical employment policy. At the moment, three major areas of research are envisaged. First, the question of how much employment can in fact be created, directly and indirectly, by increasing different kinds of production, especially industrial production. The second field in which research is being undertaken concerns the question as to what factors determine the choice in developing countries as between increases in the volume of employment, changes in the conditions of employment (especially the wage level) and patterns and rates of economic growth. The third main problem under examination is that of how practical policies for increasing employment can be formulated and implemented within the framework of policies for over-all economic development.

9. The ILO has devoted and is devoting considerable attention to the methods of forecasting requirements for skilled and high-level personnel for economic

development in general and for industrial development in particular. The results of these studies were incorporated inter alia in a series of papers prepared for a Meeting of Experts on the Assessment of Manpower and Training Requirements for Economic Development held in October 1962 (see below under "B. Seminars and Technical Meetings"). The papers dealt with the interdependence of high-level manpower planning and economic planning; the nature and principles of long-range manpower forecasting; the economic basis and methodology of long-term manpower forecasting; some labour market problems specially relevant to manpower forecasting; problems of estimating training costs in economic development; and the organization of manpower forecasting programme. A number of case studies of the methods and procedures used for manpower forecasting in different countries were also prepared.

10. The experts made a number of suggestions regarding fields in which research should be pursued, e.g. methods of estimating likely changes in productivity as a factor affecting future manpower requirements, assessment of training costs and of the effectiveness of different forms of training, improvement of census data on manpower characteristics, etc. Moreover, work is currently going on in the ILO, in consultation with UNESCO, on the development of an educational classification for use in determining availabilities and requirements having regard to the educational and training attainments of workers.

11. The ILO is also conducting continuing research on occupations and changes in them resulting from technological and other factors. In 1958 the first edition of the International Standard Classification of Occupations (ISCO) was published and, as a result of its use in conjunction with the censuses held in or about 1960, it is expected that many developing countries will for the first time have obtained meaningful data about the occupational composition of their labour force as a whole and in individual industries. It is intended in the next few years to revise ISCO and bring it up to date with a view to the 1970 censuses. Analysis of the information so obtained is essential to a better understanding of the changes in the labour force resulting from and needed for industrial development.

B. Seminars and Technical Meetings

12. As mentioned above, a technical conference on employment policy is to be held in October 1963. While the agenda for the conference comprises problems of

employment policy in developed as well as in under-developed countries, major emphasis is to be given to the latter. It is also hoped to convene in 1963 a meeting of economists to discuss employment problems in under-developed countries under the joint sponsorship of the International Economic Association and the International Institute for Labour Studies.

13. Manpower planning is one of the principal fields in which the ILO expects to contribute to the training work of the Institutes for Economic Development Planning sponsored by the United Nations Regional Economic Commissions. The ILO has participated in the work of the recently established Latin American Institute for Economic and Social Planning and it is expected that the ILO will be able to make a contribution to the Institute on questions related to social policy, particularly social security and wage policy. Two ILO experts have thus far been attached to the Institute, and a social security expert and a wage policy expert have been requested. A joint ECLA/UNESCO/ILO course on Educational Planning was held during the last four months of 1962 and the ILO will participate in other planned courses on human resources, manpower programming, etc. The ILO has also participated in the preparatory work of the African Institute for Development and Planning which is to be established in Dakar later this year. Two ILO experts have been assigned to the "starting team" of the Institute, and another is scheduled to be added shortly. It is envisaged that the Institute, in addition to giving a main course for the training of economic planners, will organize specialized and introductory courses of much shorter duration for the training of both planners and other government officials in particular fields of planning. The ILO is taking the lead in organizing the first specialized course on manpower and education in economic development to be held in Cairo early in 1964. Finally, one ILO expert has been assigned to the staff of the Asian Institute of Economic Development, already in 1963, and another expert will be assigned in the near future.

14. The Meeting of Experts on the Assessment of Manpower and Training Requirements for Economic Development, to which reference has been made above (paragraph 9), stressed the importance of integrating a strategy of human resource development into general economic and social development planning and urged that the ILO should be in a position to develop its technical assistance programme and to provide advice

not only on the manpower implications of given development plans, but on the inclusion within these of targets relating to training and employment. The Experts described the main steps in forecasting future requirements and availabilities, and suggested certain measures with a view to balancing requirements and resources.

C. Operational Activities

15. A constantly growing number of countries are asking the ILO to provide assistance in assessing their manpower situation and requirements, in developing facilities to keep the manpower situation under review and/or in establishing planning machinery for the determination of their manpower policies. This recognition of the need for manpower assessment and planning is a result of the growing awareness of the importance of the manpower factor in economic development and industrialization programmes. The countries to which the ILO provided assistance in these fields in 1962 (projects completed, initiated or in progress) included Afghanistan, Burma, Cameroon, Cyprus, Ghana, Indonesia, Iraq, the Ivory Coast, Libya, Pakistan, Peru, Senegal, Singapore, Sudan and Thailand, while in 1963 the ILO expects to initiate similar projects in Basutoland, Colombia, Costa Rica, Cyprus, Ecuador, Jordan, Libya, Nepal, Nigeria, Somalia, Syria, Thailand, Tunisia, UAR, Uruguay, Uganda, Viet-Nam, and the Windward and Leeward Islands, as well as in connexion with the Andean Indian Programme. In 1963 the following countries have received or will receive assistance in the fields mentioned:

Afghanistan	Ghana	Peru
Basutoland	Iraq	Somalia
Bolivia	Ivory Coast	Sudan
British Honduras	Jordan	Syria
Burma	Libya	Thailand
Congo (Brazzaville)	Nigeria	Trinidad
Cyprus	Panama	Uruguay
Ecuador		

16. A significant development has been the implementation of inter-agency projects in this field. The fact that countries are increasingly trying to attack their problems on a broad front has meant the initiation of projects in which more than one agency was concerned and for which close co-operation and co-ordination were required. For example, in 1962 a joint survey mission was carried out by

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a team of three ILO experts on behalf of the international organizations, which participated in the briefing and debriefing of the mission and in the discussion of the team's recommendations. The object of the mission was to obtain information on requirements for skilled and technical personnel having regard to plans and prospects for future economic development, in order to provide a guide in planning educational and training policies. In addition, the ILO has provided a briefing and debriefing for the members of several UNESCO educational planning missions, and an ILO manpower specialist was attached to an OAS-ECLA-IDB mission which went to Haiti to advise on that country's economic and social development in 1962 and to a team of experts sent by FAO to Nigeria on a rural development project in 1963, and ILO experts have been assigned in Latin America to work on ECLA Advisory Groups.

17. The growing concern for manpower assessment and planning within the framework of economic development planning has created a demand for training the specialists in that field. In response to this demand, the ILO has organized a Latin American training course on manpower planning for economic development jointly with ECLA at the Institute for Economic and Social Planning, Santiago, in mid-1963, and the ILO will participate in future courses of this nature as well as courses on human resources etc. Students from a wide range of Latin American countries have been brought together and it can be expected that the techniques imparted will be applied in many of them. Moreover, an Inter-Regional Study Tour on Manpower Planning will be held in the USSR in September/October 1963.

III. Vocational Training for Industrial Development

18. The ILO's activity in the field of training for industrial workers including middle-grade personnel, goes back many years. It has recently grown rapidly due to the development of various technical aid programmes and the achievement of independent status by a large number of States. Almost all the new States have been faced with urgent problems of industrial development. Vocational training is, of course, an essential factor in economic and industrial development.

19. Moreover, many of the newly independent states have been faced with the specific problem of training their nationals to replace expatriate staff in key positions in industry and in the administration.

20. Broadly speaking, the ILO's activity in the field of vocational training is twofold. The first, or more traditional action, consists of standard-setting and research, participation in meeting, provision of information on training matters and so on. The second form of assistance is operational. The dependence of the research and standard-setting and the operational programmes of the Organization should be stressed.

A. Research and Studies

21. Apart from its day-to-day research work which forms part of the ILO's current activities, an important development is the International Vocational Training Information and Research Centre (CIRF) which was established within the ILO. The Organization for Economic Co-operation and Development (OECD), the European Economic Community and the European Coal and Steel Community are also participating in the work of the Centre.

22. The purpose of CIRF is to facilitate international exchange of information on the organization and methods of training workers, supervisors and technicians in all branches of economic activity. To this end the Centre:

- collects documentation on the organization, administration and methods of training, trade descriptions and syllabi, training aids, etc.;
- publishes a quarterly bulletin - Training for Progress - and a bibliographical survey of current writings - CIRF Abstracts with information on new developments in the various fields of vocational training;
- undertakes analytical studies of the methods and means used in vocational training and publishes reports on the results of these studies;
- contributes to research and inquiries undertaken by national bodies and co-ordinates research work undertaken simultaneously in several countries.

23. Within the framework of the above activities studies of the following subjects are being undertaken:

- National organization of training;
- Training of teaching and instructing staff;
- Training requirements for welders;
- Technological change;
- Trade tests and examinations;
- Cost of training.

24. In addition to the above Centre, which is situated in Geneva, an Inter-American Centre for Research and Documentation on Vocational Training will be set up under ILO auspices. Arrangements are being made for its establishment and its programme of activities for the next two years has been finalized at a technical meeting held in June 1963. The purpose of the Centre is to develop collaboration between the national bodies responsible for vocational training, to set up experimental programmes, to examine new ways of co-operation between national bodies and the ILO with a view to giving guidance on vocational training problems in the countries in the area, and its integration in economic and educational development plans.

25. A large number of studies and reports have been prepared by the ILO in relation, in particular, to the International Labour Conference, regional conferences, technical meetings and seminars, details of which will be found below. Such conferences, technical meetings and seminars are the bodies which form the basis for the ILO's standard-setting activities.

26. General international standards are based on the recommendations concerning training adopted by the International Labour Conference, which groups representatives of all the member States of the Organization. Until June 1962 these instruments were the Vocational Training Recommendation 1939, the Apprenticeship Recommendation 1939, and the Vocational Training (Adults) Recommendation 1950. They have, however, now been superseded by a new comprehensive instrument, the Vocational Training Recommendation 1962 (No. 117).^{1/}

27. The new Recommendation takes account of the special conditions of developing countries and contains a separate chapter on countries in process of industrialization. However, all international labour instruments are necessarily worded in very general terms so as to permit application to the varying conditions in the different member States of the Organization and it is not possible to include in them detailed guidance applicable to countries in a particular region or at a particular stage of industrialization.

28. The adoption by regional conferences of a number of resolutions on the subject has therefore proved very valuable as a complement to the general international Recommendation. The First African Regional Conference referred to

^{1/} ILO Official Bulletin, 1962, No. 3, Supplement 1.

above adopted a Resolution on Vocational and Technical Training which reflects African practices and conditions and lays down broad lines on which it was considered that training in the African countries should be developed, including the policy to be followed by the ILO in this connexion. The Seventh Conference of American States, at Buenos Aires in April 1961, also adopted a Resolution on Vocational Training, which deals with conditions in the region covered. Finally, the Fifth Asian Regional Conference, meeting in Melbourne from 26 November to 8 December 1962, adopted a resolution concerning the problem of Vocational Training and Management Development in that part of the world.

B. Seminars and Technical Meetings

29. A number of Seminars dealing with certain technical problems and training methods have in the past been organized by the ILO. For instance, a Seminar on accelerated training was held in Iran in 1960, and a Seminar on apprenticeship took place in Cairo in December 1962, both for selected countries in the Near and Middle East and Africa. Plans are being made for 1964-1965 for organizing in Latin America (under the newly created Inter-American Centre for Research and Documentation on Vocational Training), in Asia and in the Middle East, technical seminars concerning various aspects of vocational training related to industrialization including the planning of vocational training in relation with economic development and in conjunction with educational planning, in-plant training.

30. A Study Tour on vocational training took place under the auspices of the ILO in 1961, for the purpose of studying the organization and administration of vocational training in the USSR with particular reference to industry at both central administrative and local levels. In 1963, another study tour has been organized in the USSR and Hungary concerning organization and methods of training within undertakings.

31. Apart from these Seminars a number of ILO Industrial Committees have adopted resolutions relating to different aspects of vocational training. In 1963, the Textiles Committee dealt with training problems in the textile industry.

32. Proposals by the Director-General concerning inter alia the ILO programme in the field of vocational training, which is of particular significance in this context, have been approved by the International Labour Conference.^{1/}

C. Operational Activities

33. Vocational training activities of the ILO and its technical assistance programme encompass training for young persons and for adults; for skilled workers, technicians and instructors; for foremen and supervisors. The training may be directed towards persons already in employment or before they enter the labour market, or when they are unemployed; it may be designed to teach new knowledge or to refresh, complete or improve knowledge and skills. The training may be given in the form of theoretical or practical courses and it may be given full-time or part-time or through correspondence courses.

34. The assistance given is financed under the Expanded Programme, the regular budget of the ILO and, very recently, under the Special Fund. Vocational training, combined with the manpower activities described in the previous section, has always constituted a large proportion of the ILO's operational activities, as will be seen from the following figures. In 1961, 54.3 per cent of the total operational expenditure of approximately \$5,529,200 under all programmes was devoted to manpower organization including vocational training. The estimation for 1962 is 54.3 per cent of the total operational expenditure of approximately \$10,566,000 and in 1963 57.1 per cent of the total operational expenditure of \$15,109,000. In each case, the great majority of the projects are concerned with vocational training.

35. Vocational training has also a very prominent part among the Special Fund projects for which the ILO is the Executing Agency. The total costs of Special Fund projects in the field of vocational training, in operation or under negotiation at the end of November 1962 (excluding both Executing Agency cost and Government contributions) amounted to \$16,679,650.^{2/}

^{1/} International Labour Conference, 47th Session, Geneva, 1963, Report I, Director-General's Report, in particular Chapter II.

^{2/} The total Government contributions under these projects amounted to the equivalent of \$29,597,682.

36. ILO activities in the field of vocational training cover nine types of project, namely: organization and administration of national vocational training programmes; long-term vocational training of young persons; accelerated training for adult workers; supplementary training of workers; training of foremen and other supervisors; technician training; instructor training; instructional manuals, and combined projects dealing with different aspects of training undertaken simultaneously in a co-ordinated effort.

37. The countries with ILO technical assistance projects in the field of vocational training, whether in actual operation or forecast for 1963 and 1964, and even beyond in the case of Special Fund projects, are:

Africa:

Cameroon, Central African Republic, Chad, Congo (Brazzaville), Congo (Leopoldville), Dahomey, Gabon, Ghana, Guinea, Ivory Coast, Liberia, Libya, Madagascar, Mali, Mauritania, Mauritius, Morocco, Niger, Nigeria, Senegal, Sierra Leone, Sudan, Togo, Tunisia, United Arab Republic, Upper Volta.

Asia:

Afghanistan, Burma, Cambodia, Ceylon, China, Korea, India, Indonesia, Laos, Malaya, Nepal, Pakistan, Thailand.

Latin America:

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guatemala, Mexico, Peru, Uruguay, Venezuela.

Near and Middle East:

Cyprus, Greece, Iran, Israel, Kuwait, Lebanon, Libya, Malta, Saudi Arabia, Turkey, Yugoslavia.

IV. Management Development and Productivity

38. In line with the ILO's general concern with training for industry at all levels, it is especially concerned with the development of practising managers, with the training of executives at all levels for new plants which are being established under industrialization plans, and with the training of specialists in various aspects of management, in particular those affecting the productivity of enterprises, public and private.

39. The ILO in 1963 is carrying out management development work in thirty countries.^{1/} It will be operating within the next twelve months in nearly forty countries. Thirteen projects (usually lasting five years) are being financed with assistance from the Special Fund. It is expected that three more projects will be added to this number by June 1963. Several other such projects are in various stages of preparation. Some have already been submitted to the Special Fund by the Governments concerned, while others are in course of negotiation. Twenty projects under the EPTA will be active in the course of 1963. In addition, a good deal of research and other supporting activities in management development, such as the preparation of training material for use by field missions, is being financed out of the ILO Regular Budget. Total expenditure on management development work by the ILO from all sources in 1963 (Special Fund, EPTA and the ILO Regular Budget), is estimated at \$3 million excluding cost of supporting services. In certain of the projects, management development activities are integrated with vocational training activities. The number of field experts required to undertake these projects in 1963 will be about 110. On the basis of information available at present, this number and total expenditure will increase still further in 1964.

40. All the Special Fund projects, and certain of the EPTA projects, are concerned with the development of managers across the whole range of management functions, while a limited number are concerned especially with productivity improvement at the operating level. Increasingly, the projects are becoming broader in scope. Two points in connexion with the ILO's programme in this field should be emphasized. The first is, that it is primarily a development and training programme confined to the development of practising managers and new executives at all levels, and the training of **specialists in management techniques who are already working in industry**. The programme does not normally concern itself with training in universities or educational institutions. All development and training programmes contain a very large element of practical in-plant work carried

^{1/} Asia: Cambodia, China (Taiwan), India (three projects), Indonesia, Korea, Malaya, Pakistan (two projects) and Thailand. Middle East and Africa: Cyprus, Iran, Iraq, Israel, Sudan, Tunisia, United Arab Republic and Ghana. Latin America: Argentina, Brazil, Central America (a regional project), Chile, Colombia, El Salvador, Honduras, Mexico, Nicaragua, Peru, Uruguay and Venezuela. Europe: Poland and Yugoslavia.

out by trainees under the guidance of experts and their national counterparts. Practically all the missions are attached to national productivity and/or management development centres, the primary objective being to train counterparts in the countries concerned who will ultimately take over the whole work of the experts.

41. Secondly, the programme is concerned with management functions within the enterprise, but does not concern itself with industrialization policies, the location of industry or the broader questions of industrial development.

A. The Management Development Division of the ILO

42. The very rapid growth of the management development and productivity programme, particularly in the last two years, has posed a number of problems with regard to maintaining and raising the effectiveness of the work of experts in the field. For this reason, the Management Development Service was set up in 1961 at Geneva (it became a Division at the beginning of 1963). It should be emphasized, however, that the ILO's work in management development and productivity improvement did not begin with the establishment of this Service; this was the responsibility of the Economic Division from 1951. A great deal of experience has thus been acquired by the ILO in these fields. The number of technical assistance projects has gradually increased since the first two began in India and Israel in 1952. Such assistance is still being given to these countries.

43. The work of the Management Development Division is twofold. In the first instance, it is required to administer an ever-increasing number of missions and experts. In the second, it is concerned with the preparation of programmes, syllabuses and teaching materials and the development of teaching methods specially oriented to the needs of the various countries receiving assistance. The Division is staffed with specialists in the various functions of management, as well as specialists in educational and training methods, many of whom have had extensive experience in the field as experts and have a thorough understanding of the problems encountered there.

44. For 1963 the credit for the Management Development Programme under the ILO Regular Budget is \$120,000. This expenditure is for development and research work of a general nature which cannot be financed by other means. Items covered include

two research projects; one, the adaptation of management techniques to the requirements of small-scale industry is continued from 1962. The other is concerned with the application of work study to public works, especially earthmoving. The findings of this research will be considered at the Technical Meeting on Productivity and Employment in Public Works in African Countries which will be held in an African country late in 1963. Other items include a substantial sum for teaching aids, which includes the purchase of films, preparation of various types of audio-visual aids and the preparation of small handbooks on management techniques. In addition, there is a small provision for special fellowships not covered by technical assistance programmes, for assistance from the headquarters staff in the running of seminars and training courses and for the printing costs of the results of certain research projects and for a large Handbook started in 1961. The programme is given as an indication of the varied practical fields with which the Management Development Division is concerned.

45. It might be added that personnel from Geneva maintain a close liaison with missions in the field, which enables personal exchange of ideas and views and discussion of problems to be maintained. This personal contact is regarded as extremely important from the point of view of maintaining morale and acquainting experts in the field with views and developments in Geneva in a more effective manner than can be done in writing and of ensuring that Headquarters staff are fully cognizant of problems and developments in the field.

B. The Operation of the Management Development and Productivity Missions

46. Most missions in these fields are attached to centres set up by Governments, often with the association of employers' and workers' organizations and others concerned with the field of industry. Initial work generally involves a good deal of propaganda in favour of improved management and productivity in order to awaken industrialists, and the public generally, to the need for them and the methods by which they can be obtained. Experience has shown that demonstration in selected enterprises, public and private, is the most effective means of doing this. Once past the demonstration stage, training in various fields of management and productivity can begin. Development programmes at various levels and of varying duration, ranging from short appreciation courses to intensive courses for

specialists, are put on. These programmes are primarily intended to train the staffs of the courses concerned, develop practising managers in existing plants and train executives at all levels for new plants which are being set up under industrialization plans. The ILO has therefore a key role in industrial development since new plants cannot be operated efficiently, if at all, without properly trained executives. This training is carried out by the international experts and their national counterparts working in close collaboration.

47. In the initial stages, inevitably the experts do a good deal of direct training, but as time goes on the counterparts take over wholly, or in major part, the established programmes, while the experts start developing the next phase of the work. Special Fund projects contain provision for changes in the specialities of experts in the course of the project and for fellowships whereby senior counterparts, after working for two or three years in association with the experts, may round off their own development by study in industrially more advanced countries.

48. Depending on the state of industrialization of the country concerned, major emphasis may be given to manufacturing industry or to public utilities and other infrastructure activities in general. Major efforts are made in those sectors of greatest economic importance to the countries concerned.

49. The management development programme is closely linked with vocational and supervisory training in any country, since neither programme can be fully effective without the other, and it is becoming increasingly recognized that without effective management much of the benefit of having trained labour force is lost.

V. International Centre for Advanced Training

50. The creation of an international centre for advanced training under ILO auspices was approved by the Governing Body of the International Labour Office at its 154th and 155th sessions (Geneva, March and May 1963). The purpose of this centre, which is to be a non-profit-making technical international body, and will provide objective teaching, independent of any political or commercial consideration, is to provide advanced training for highly skilled workers, instructors, foremen, technicians and managerial personnel, primarily for the benefit of developing countries. The persons to be selected to follow courses

at the centre will be chosen on the basis of their qualifications and their aptitude and ability to impart the training acquired at the centre to the largest possible number of workers in their countries, by acting as instructors or in similar capacities. The first courses will begin in 1965, with some 600 trainees and the number of trainees will progressively increase to 2,000 in 1969. The average training period will vary between five and six months, including periods of practical training in undertakings located in Europe. Instruction is to be provided in French, English and Spanish.

51. The centre will be housed in buildings donated by the Italian Government, who is also making a substantial contribution to the running costs of the centre. These buildings will comprise, in addition to lecturing, demonstration and administrative facilities, residential quarters for trainees.

52. The centre will be governed by a Board whose members shall be drawn from Government, employers and workers circles, and presided over by the Director-General of the ILO. The centre will work in close co-operation with the United Nations, UNESCO, the Specialized Agencies and other inter-governmental and non-governmental organizations concerned in the furtherance of its aims.

VI. Industrial Relations

53. Labour-management relations constitute a most important factor in industrial development. It is obvious that serious industrial strife resulting from poor labour-management relations can have an adverse effect on economic development. It should be no less obvious that good labour-management relations at the level of the undertaking can provide a climate in which all parties can make a more effective contribution to the efficiency and prosperity of the undertaking with a corresponding impetus to economic development on the national scale. Nor should it be less obvious that the co-operation of workers' and employers' organizations in the preparation and execution of economic development schemes is often an essential element in the success of such schemes.

54. The relationship between industrial development and good labour-management relations was recognized by the International Labour Conference in 1962 when it adopted a "resolution concerning the promotion of good industrial relations,

particularly in countries in course of development, and consultation of employers' and workers' organizations"^{1/} which referred to the desirability "of encouraging the efforts undertaken by these organizations to establish a climate of collaboration between employers and workers, which is necessary to permit the economic development of their countries".

55. This relationship was also recognized in resolutions adopted at the Seventh Conference of American States Members of the International Labour Organisation (Buenos Aires, April 1961). A resolution concerning social policy and economic development,^{2/} which supported the aim of balancing economic and social development, stressed that labour and management should be associated in the preparation of economic and social policy and that "economic advances can be best achieved when there is a favourable background of industrial relations which makes possible effective consultation and co-operation between workers' organizations, employers' associations and the public authorities". In another "resolution concerning the ILO's Programme of action in the field of labour-management relations",^{3/} the Conference urged that "the ILO should make use of all its means of action with a view to assisting representatives of public authorities and of workers' and employers' organizations to examine the problems raised by economic development in a climate of objectivity and in a constructive spirit".

56. Consonant with the spirit of the above resolutions, the ILO is pursuing an active labour-management relations programme, including seminars and technical meetings, direct technical assistance at the request of Governments and research and studies.

57. In addition to other more general meetings such as industrial committees, annual conferences and regional conferences in which labour-management relations problems among other subjects are discussed, ILO meetings to improve understanding of labour-management relations problems have included a bipartite technical

^{1/} Resolutions adopted by the International Labour Conference at its 46th session (ILO, Geneva 1962), pp. 17-18.

^{2/} ILO: Official Bulletin, Vol. XLIV, No. 2 (1961), pp. 48-50.

^{3/} Ibid., pp. 50-51.

meeting (consisting of Employers and Workers) concerning certain aspects of industrial relations inside undertakings (Geneva, December 1959),^{1/} an inter-American study conference on labour-management relations (Montevideo, November 1960)^{2/} in which Government, management and worker participants as well as those from university and research and training institutes took part, and an Asian regional seminar for Government officials on the prevention and settlement of industrial disputes (Kuala Lumpur, December 1961).^{3/} Additional meetings are envisaged and in particular a West African regional seminar on industrial relations will be held late in 1963.

58. Bipartite missions (composed as a rule of a trade unionist and an employer, each from an industrialized country), sometimes accompanied by an ILO official, have been sent to Bolivia, Pakistan, Ceylon, Viet-Nam and Turkey and have made available their experience and expertise with a view to assisting representatives of employers, workers and public authorities in these countries in dealing with labour-management relations problems raised by economic development. In a related venture, a group of employers and trade unionists from six Asian countries participated in an ILO study tour of labour-management relations in the United Kingdom and the Federal Republic of Germany. A similar bipartite study tour to one or more economically advanced countries for Turkish participants is envisaged for 1963.

59. Direct expert assistance has been rendered to numerous Governments upon their request on various aspects of labour-management relations (e.g., labour legislation, personnel administration, conciliation and arbitration, collective bargaining, etc.).

60. Research projects have been undertaken and a number of studies and reports have been prepared, sometimes in connexion with meetings such as those mentioned above, dealing with labour-management relations systems or certain aspects thereof

^{1/} See ILO: Industry and Labour, Vol. XXIII, No. 7, 1 April 1960, pp. 224-243.

^{2/} Ibid., Vol. XXV, No. 8, 15 April 1961, pp. 254-268.

^{3/} See ILO: International Labour Review, Vol. LXXXVI, No. 2, August 1962, pp. 159-172.

in various countries as well as individual plant studies. Additionally the ILO acts as a clearing-house for information on labour-management relations from all sources.

61. In sum, the ILO labour-management relations programme has been aimed at aiding Governments, workers and employers to find the most appropriate methods of solving their labour-management relations problems. The success of these efforts cannot but enhance the prospects for industrial development of the countries concerned.

VII. Small-Scale and Handicraft Industries

62. The International Labour Organisation has, over the long period of its existence, sought by international action to improve conditions of life and labour throughout the world, to raise living standards and to promote economic and social stability. Its "tripartite" character is unique in that it is the only inter-governmental organization in which representatives of employers and workers share in shaping its policies and supervising their implementation.

63. The ILO has been concerned with small-scale and handicraft industries since its very inception because of the large number of workers who are engaged in them. Thus as early as 1932 the ILO Preparatory Sub-Committee on Handicraftsmen pointed out that through the medium of handicraftsmen the ILO would be able to understand and influence the labour conditions of a large number of workers and to deal with social questions which had escaped investigation, statistical treatment and regulation. The Sub-Committee further emphasized that workers engaged in such small undertakings constitute a social and economic group which is distinct from both employers and workers in large manufacturing establishments.

64. Since then the subject of small-scale industry has been considered at many ILO conferences and meetings held in Asia, Africa, the Near and Middle East and South America, and resolutions have been adopted concerning, inter alia, promotion and development of small-scale industry. Two resolutions adopted at the International Labour Conference in recent years should be mentioned in particular in this connexion. The first was adopted in 1960 and is concerned with the promotion and development of small industries in the context of rural development.

It calls upon the ILO to undertake among other things, case studies and comparisons of various types of organizations for production, supply, marketing and services in small-scale industries, carry out surveys of conditions of life and work of various categories of workers (wage paid, semi-independent and self-employed) and to undertake research on production and marketing problems of small-scale industries. It further requires the ILO to advise and assist in matters of organization and modernization of small industries, vocational training and in the creation and development of national research centres on problems of small-scale industries.

65. The second resolution was adopted in 1962. It recognizes that small-scale industry has an important role to play in the economic and social development of the developing countries, providing employment opportunities and opportunities for utilizing available enterprise, skills and materials. It points out that workers employed in small-scale industry are in many cases not organized in strong unions and do not enjoy all the benefits and services usually available to workers employed in large undertakings, for example, housing, medical and welfare services, and good working conditions. It therefore calls upon the ILO to study the social and economic problems of small-scale industry, formulate proposals for the communication of the results of such a study to member Governments and to employers' and workers' organizations to assist them in deciding on measures to be taken for the promotion of small-scale industry, and to submit proposals for a practical programme of action to enable the ILO to meet the growing needs of the developing countries in this field.

66. It will be clear from the above that the ILO's interest in small-scale industries dates back many years and that it has a mandate from its supreme organ, the International Labour Conference, to concern itself actively with the promotion and development of small-scale industry.

67. The work of the ILO in the field of small-scale industry may be grouped broadly into three categories; (i) research and studies, (ii) technical meetings, seminars and study tours and (iii) operational activities.

A. Research and studies

68. The collection and analysis of information is of vital importance to the work of the ILO. It is ensured by obtaining official reports, legislative texts, studies and reports from the international and national institutions and organizations of employers and workers, periodicals, newspapers and books as well as by data supplied by ILO Branch and Field Offices and Correspondents, and information contained in reports of technical assistance experts. This is supplemented, as required, by requests to Governments and organizations of small industry for information on specific questions, and by material obtained as a result of missions by members of the ILO staff to different countries or by their attendance at conferences and other meetings concerning small industry. The information thus collected is analysed and the results are published in suitable forms, e.g., reports, studies, articles in the various organs of the ILO. It is also used for the planning of technical assistance projects and briefing of experts. The following are some examples of the studies which have been completed during the last two years.

- (1) Modernization and re-vitalization of small-scale and rural industries;
- (2) Services for small-scale industry;
- (3) Problems of mechanization and raising of labour standards in small-scale and handicraft industries;
- (4) Joint action by small producers - co-operative and other forms of organization;
- (5) The adaptation of management techniques to small undertakings and the integration of large and small-scale industries;
- (6) Small-scale engineering industries in the Punjab (India);
- (7) Aspects of labour and management on industrial estates;
- (8) Small-scale and handicraft industries in Africa and ILO activities in this field.

69. The following are some of the studies which are currently in preparation and expected to be completed in 1963 and 1964:

- (1) Institutional arrangements for the promotion of small-scale and handicraft industries in Asian countries;

- (2) Problems of development of small-scale and handicraft industries in Africa;
- (3) Policies, measures and incentives for the development of small-scale and handicraft industries in Africa;
- (4) Labour and social problems of small-scale and handicraft industries in Africa;
- (5) Mobile units for industrial extension services;
- (6) Labour and social problems of small-scale and handicraft industries in Latin America;
- (7) Problems of development of small-scale and handicraft industries in Latin America;
- (8) Management problems in the small factory.

70. The research and study activities are of a continuous nature. They serve to reinforce the operational activities of the ILO and are, in turn, themselves reinforced by the experience acquired in the field.

71. The ILO has continued to develop and maintain close working relations with different organizations and institutions concerned with small-scale and handicraft industries. In fact, the establishment and maintenance of such relations is part of its regular activity. Among the international governmental organizations with which the ILO is in contact with a view to exchanging information, providing mutual assistance or co-ordinating activities are the United Nations (including the regional commissions), FAO and UNESCO. Among regional organizations of the same type may be mentioned the Organization of American States, the Commission for Technical Co-operation in Africa South of the Sahara and the Caribbean Organization. The ILO is also in contact with various international non-governmental organizations such as the International Co-operative Alliance, International Federation of Master Craftsmen, International Association of Crafts and Small and Mediumsized Undertakings and the International Commission for Agricultural Industry, and with centres of research and studies in the field of small industries, e.g., the Stanford Research Institute (International Industrial Development Centre) in the United States, the Research Institute for Management Science in Delft, the Netherlands.

72. At the national level, the ILO maintains relations with government authorities concerned with the promotion and development of small-scale industries and with organizations, institutions and individuals active in this field.

B. Technical meetings, seminars and study tours

73. Education and training rank high in the ILO's programme of activities in the field of small industry and special attention continues to be given to the organization of technical meetings, seminars and study tours. A technical meeting on small-scale and handicraft industries was held in New Delhi in October 1961 and discussed problems of mechanization and raising of labour standards in small industry, problems of organization and management, the need for various services for small industrial development and the contribution that international technical assistance could make to this development. The feasibility of promoting small industry and handicrafts through co-operative organization or other forms of joint action have also been discussed at various ILO meetings in Asia (Mysore 1956), in Africa (Abidjan 1962), in the Near and Middle East (Cairo 1959) and in Latin America (Mexico 1961). The following meetings, seminar and study tour are planned for 1963 and 1964:

- (1) Inter-Regional Seminar and Study Tour on Small-Scale Industries (in collaboration with the Government of Denmark), Denmark 1963.
- (2) African Regional Meeting on Small-Scale and Handicraft Industries, 1964.
- (3) Latin American Regional Meeting on Small-Scale and Handicraft Industries (possibly in collaboration with the Economic Commission for Latin America) 1964.

C. Operational Activities

74. Under its operational activities ILO has provided and continues to provide technical assistance in the field of small-scale industry to a number of countries of Asia, Africa, the Near and Middle East and Latin America. The requests for such assistance have steadily risen and in 1961 there were over twenty-five experts in the field as compared to twelve in 1958.

75. By far the greater part of the assistance is provided under the EPTA while some projects are financed from the regular budget of the ILO. The areas in which

assistance has been and is being rendered include, among others, surveys of the possibilities of development of small-scale industry, problems of technology and production in particular industries or groups of industries, problems of organization and management, establishment of demonstration-cum-production centres and the setting up of co-operatives of small producers. So far over thirty countries have received assistance in this field. These are Afghanistan, Burma, Brazil, Cameroon, Ceylon, Dahomey, Ecuador, Ethiopia, El Salvador, Guatemala, Haiti, Iran, Jordan, Laos, Libya, Malaya, Morocco, Mauritius, Mexico, Pakistan, Peru, Puerto Rico, Senegal, Somalia, Sierra Leone, Syria, Tanganyika, Thailand, United Arab Republic, Uganda, Upper Volta and Zanzibar. The approved ILO operational programmes for 1963 and 1964 include over twenty-seven small industry projects in twenty countries and involve over thirty experts.

76. Small-scale and handicraft industries are an important element of rural development as they play a basic part in raising living standards in the rural sector. They can make a significant contribution to raising production and help to solve problems of unemployment and under-employment, and so do a great deal to raise rural living levels and to ease the transition to industrialization. One of the objectives of the ILO's rural development programme is to promote rural employment through the development of these industries and accordingly, several small industry experts will be assigned to pilot projects under the programme.

77. Several projects have been undertaken in collaboration with other international organizations. Thus the ILO is collaborating with UNESCO in the operation of the Arab States Fundamental Education Centre (ASFEC) in the United Arab Republic and of the Centre for Education for Community Development for Latin America in Mexico (CREFAL) and has provided the services of a handicraft expert at each of these centres. It has also provided over the years expert assistance in selected handicraft activities under the Andean Indian Programme which is being implemented jointly by the United Nations and the specialized agencies.

78. Special Fund: The ILO is also collaborating with the United Nations Special Fund in the field of small-scale industry and has been appointed executing agency by the Fund for three projects in Ceylon, the United Arab Republic and Morocco.

The principal aim of these projects is to promote the growth and development of small industry through the provision of research, training and extension services. Their duration varies from four to five years and they involve a total expenditure of over \$6 million and the engagement of twenty-nine international experts.

79. In two other Special Fund projects in Peru and Colombia training of instructors and supervisors for small undertakings forms an important element of the training programmes which are being operated by the ILO.

80. The ILO has also been appointed executing agency by the Fund for two small industry projects in Singapore and Taiwan respectively.

D. Organizational framework

81. Within the ILO the Co-operation and Small-Scale Industries Division is primarily responsible for all activities in the field of small-scale and handicraft industries. This does not mean, however, that the small industry programme of the ILO is being pursued in isolation by one division only. On the contrary, this programme is fully integrated within the research and operational programmes of the ILO and it draws extensively and continuously on the experience which the Organisation has accumulated over many years. For example, ILO's preoccupation with the subject of employment creation, its studies on employment objectives in economic development, and its manpower planning and assessment projects provide the necessary conceptual framework for the promotion of small industries with varying degrees of labour utilization in applied manufacturing techniques. The extensive vocational training programmes are providing the elements required to evolve training schemes, which are geared to the particular needs and opportunities of small industries. The management development programme which aims at higher levels of productivity and at raising standards of operational practices in industry is making a valuable contribution to the designing of management techniques which are suitable for application in small establishments. Of equal importance is the experience gained in the regular meetings of the ILO tripartite industrial committees for selected manufacturing branches; these committees keep under constant review technological progress and its impact on the operation of industrial enterprises in general and on the working and living conditions of the workers in particular, and provide suitable guidance in

determining the scope and content of the technological changes involved in the process of modernization of small industries. Further ILO's studies of problems of labour-management relations help to establish special programmes to cope with problems of industrial relations in growing small undertakings. Finally, the setting of labour standards in such areas as working conditions, occupational safety and health and social security as well as the ILO's extensive programmes of co-operative development and workers' education are all elements which contribute to the formulation and implementation of integrated programmes for the modernization and development of small-scale industries.

VIII. Industrial Committees

82. The ILO has, since 1945, strengthened its work in specific sectors of industry through the establishment of Industrial Committees.

83. There are eight standing Industrial Committees which meet at the decision of the Governing Body more or less in turn, but having regard to the importance and urgency of the problems in any given sector. Such Committees exist for:

Inland Transport

Coal Mines

Iron and Steel

Metal Trades

Textiles

Petroleum

Building, Civil Engineering and Public Works, and
Chemical Industries.

84. Their composition is determined by the Governing Body and revised periodically with due regard to keeping the size of the Committees within manageable limits, but including within them the countries where employment in the industry in question or its production is significant and countries from different regions, including in particular those in the early stages of industrial development. Each country represented within a Committee sends a tripartite delegation of six titular delegates (two delegates each for the Government, the employers' and the workers' organizations). Advisers may also attend if so desired.

85. In addition to these standing Committees, the Governing Body also convenes ad hoc meetings of similar composition for other industrial sectors in which there exist social or labour problems justifying tripartite consideration at the international level. Recent ad hoc meetings of the Industrial Committee type have been held for:

Mines other than Coal Mines

Timber

Civil Aviation

Printing and Allied Trades.

A meeting for the Food Products and Drink Industries will be held in 1963 and probably one for the clothing industry in 1964.

86. The purpose of these tripartite meetings, whether of standing Committees or ad hoc meetings, is to prepare agreed conclusions which, after having been considered by the Governing Body, are sent to all member Governments of the ILO (not only those participating in any given meeting) with the request that they be transmitted to the employers' and workers' organizations concerned. It is in the nature of these meetings, their composition being largely drawn from persons directly associated with a given industry, that their conclusions reflect a realistic assessment of the needs and potentialities of the economic sector concerned. Countries in which industry is developing rapidly can often find in these reports and conclusions useful practical suggestions based on the combined experience of Governments, employers and workers from both the countries with well-established industries and the developing countries. These suggestions can assist them in solving the problems arising in the course of development of particular industries; they may sometimes also be of use to experts advising Governments in such matters.

87. Each Industrial Committee session or ad hoc meeting of the Industrial Committee type has its agenda fixed by the Governing Body, usually about one year in advance, to enable the Office to prepare reports which are transmitted to participating Governments and through them to the employers' and workers' organizations concerned. These reports, as well as the conclusions adopted by the meetings, are of course available at the ILO to all concerned.

88. By way of illustration, some recent agenda items for which both the reports prepared by the Office and the conclusions adopted by the meetings are available, are listed below:

Iron and Steel Committee

Conditions of Work and Social Problems in the Iron and Steel Industry of Countries in the Course of Industrialization (Sixth Session, 1957);

Technological developments and their influence on the structure of remuneration, organization of work and safety in iron and steel plants (Seventh Session, September 1963).

Scope and methods of collective bargaining in the iron and steel industry (Seventh Session, September 1963).

Metal Trades Committee

Automation in the Metal Trades (Sixth Session, 1957);

The Acceleration of Technological Progress and its Influence on the Effective Utilization of Manpower and the Improvement of Workers' Incomes (Seventh Session, 1962);

Textiles Committee

Effects of Technological Developments on Wages and on Conditions and Level of Employment in the Textile Industry (Sixth Session, 1958);

Problems of apprenticeship, vocational training and retraining in the textile industry (Seventh Session, May 1963).

Conditions of employment and related problems in the textile industry in countries in the course of industrialization (Seventh Session, May 1963).

Tripartite Technical Meeting for the Printing and Allied Trades

(ad hoc meeting held in 1962)

Special Problems in the Printing and Allied Trades in Developing Countries and the Adaptation of the National Labour Force to the Use of Imported Machinery and Equipment.

89. Among the agenda items of forthcoming meetings, the following relate particularly to industrial development:

Tripartite Technical Meeting for the Food Products and Drink Industries

(ad hoc meeting to be held in December 1963)

Health and safety problems in the food products and drink industries.

Social Consequences of Technological Developments in Principal Branches of the Food Products and Drink Industries.

Building, Civil Engineering and Public Works Committee (Seventh Session, May 1964)

Technological changes in the construction industry and their socio-economic consequences.

Practical methods for the regularization of employment in the construction industry.

Coal Mines Committee, Eighth Session, probably November-December 1964.

Technological improvements and their impact on social conditions, including hours of work, in the coal mining industry.

90. The above provides recent illustrations drawn from about 200 reports, and it may be useful to indicate briefly some of the fields covered.

91. The establishment of sound labour-management relations are of great importance to industry. The sessions of the Committees in themselves contribute to this. In addition, however, useful basic principles have been laid down in fairly detailed conclusions for several industries, including inland transport, the metal trades, petroleum, the chemical industries and the construction industry. Special aspects have been examined in certain cases, as in regard to the practices, procedures and techniques of effective employer-employee communications in the petroleum industry.

92. Vocational training is of great importance, and the application of the general principles of vocational training to particular industries have been considered in several cases.

93. Needless to say, advice on desirable standards regarding conditions of work and welfare has also been forthcoming, including detailed consideration of the social problems which were to be solved when petroleum extraction is undertaken, a steel works established, or large civil engineering works are carried out in out-of-the-way areas where normal community facilities are lacking. Further, the Committees themselves can serve to promote interest among industrialized countries, and in particular among their employers' and workers' organizations on the problems of industrial development of other countries, and they may help to enlist support for practical means of assistance and in particular for the operational activities of the United Nations, ILO and other agencies.

94. Thus, the Metal Trades Committee, in September 1962, invited the Governing Body of the International Labour Office "to convey to the Secretary-General of the United Nations the view of the Metal Trades Committee that an intensified and concerted programme of action, both in developed and developing countries, should be undertaken by the United Nations and the specialized agencies concerned with a view to accelerating the growth of the metal trades in developing countries".^{1/} This message has been duly conveyed to the Secretary-General of the United Nations.

95. The same Committee also asked the Governing Body to enter the following question on the agenda of the next session of the Metal Trades Committee: International co-operation in dealing with social and labour questions in the metal trades in developing countries.

96. It is further specified that "the themes for discussion under this heading might include the following:^{2/}

experience in developing countries with labour and social problems of setting up new plants and industries;

adaptation of metal-working machinery and processes to the needs of importing countries in the light of their economic and social conditions;

provision of expert advice and guidance, and conditions governing the selection of expert personnel;

opportunities for training abroad of key workers and of supervisory and managerial personnel, and conditions governing such training."

97. This proposal is under consideration with a view to inclusion in the agenda of a meeting which is being put forward to the Governing Body for inclusion in the 1965 Programme of Meetings.

98. The above examples will show that the work of the Industrial Committees of the ILO are very relevant to the problems of industrial development. The present tendency is to increase the proportion of participating countries from developing regions, and to include agenda items likely to be of interest to them.

Geneva, 22 August 1963.

^{1/} International Labour Organisation, Metal Trades Committee, Seventh Session, Geneva, 17-28 September 1962, Summary Record, p. 53.

^{2/} Op. cit., pp. 53-54.