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BY THE COMPTROLLER GENERAL  
Report To The Chairman, Committee  
On Labor And Human Resources  
United States Senate  
OF THE UNITED STATES

Sustaining Improved U.S. Participation  
In The International Labor Organization  
Requires New Approaches

This report updates GAO's 1977 report on the need for U S objectives in the International Labor Organization (ILO) Overall objectives had not been developed at that time by the Departments of State, Labor, and Commerce nor were these agencies consulting with U S worker and employer representatives The United States withdrew from the ILO in late 1977

The responsible agencies have improved the management of U S participation since rejoining the ILO in 1980 Overall objectives have been established and a system of regular consultation instituted among the tripartite representatives U S government agencies, workers and employers GAO is making recommendations to the Secretaries of State and Labor to further strengthen this process



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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

B-214316

The Honorable Orrin G. Hatch  
Chairman, Committee on Labor  
and Human Resources  
United States Senate

Dear Mr. Chairman:

As requested by your letter of August 27, 1982, we undertook to gauge the efforts of U.S. Government agencies to further our participation in the International Labor Organization.

As you know, the United States rejoined the International Labor Organization in 1980 after a two-year absence. This report contains our evaluation of the improvements made and yet to be made in the management of U.S. participation by the Departments of State, Labor, and Commerce in consultation with the AFL-CIO and the U.S. Council for International Business.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of the report. At that time we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

A handwritten signature in cursive script that reads "Charles A. Bowater".

Comptroller General  
of the United States

--has 150 member countries, including the United States which joined in 1934; and

--is unique among United Nations specialized agencies in that each country sends a tripartite delegation representing government, employers, and workers. (See ch. 1.)

In November 1977 the United States withdrew from the ILO due to interference by some governments with the independence of worker and employer groups in the ILO; a tendency of the annual Conference to cite only non-Soviet bloc states for human rights violations and to do so without recourse to established ILO procedures; and increasing debate of political issues not germane to the organization. Although these concerns had not been completely eliminated, sufficient progress had been made so that the United States formally rejoined the ILO in February 1980. (See ch. 2.)

#### U.S. OBJECTIVES ESTABLISHED

Just prior to rejoining the ILO, the United States established overall tripartite objectives to manage U.S. participation. These objectives focused on means to minimize the concerns which prompted U.S. withdrawal, improving the direction and efficiency of the ILO and its programs, and improving effective U.S. participation.

The President's Committee on the ILO, a tripartite, multiagency advisory group, was created in 1980 to formulate and periodically review U.S. objectives and policy. (See ch. 3.)

#### TRIPARTITE CONSULTATION AND MEETING PREPARATIONS IMPROVED

Tripartite consultation at the staff level has improved since GAO issued its 1977 report. Now, such consultation takes place through the Consultative Group (one of two subcommittees of the President's Committee on the ILO), which meets every 3 or 4 weeks. Consultations cover the full range of U.S. interests in the ILO.

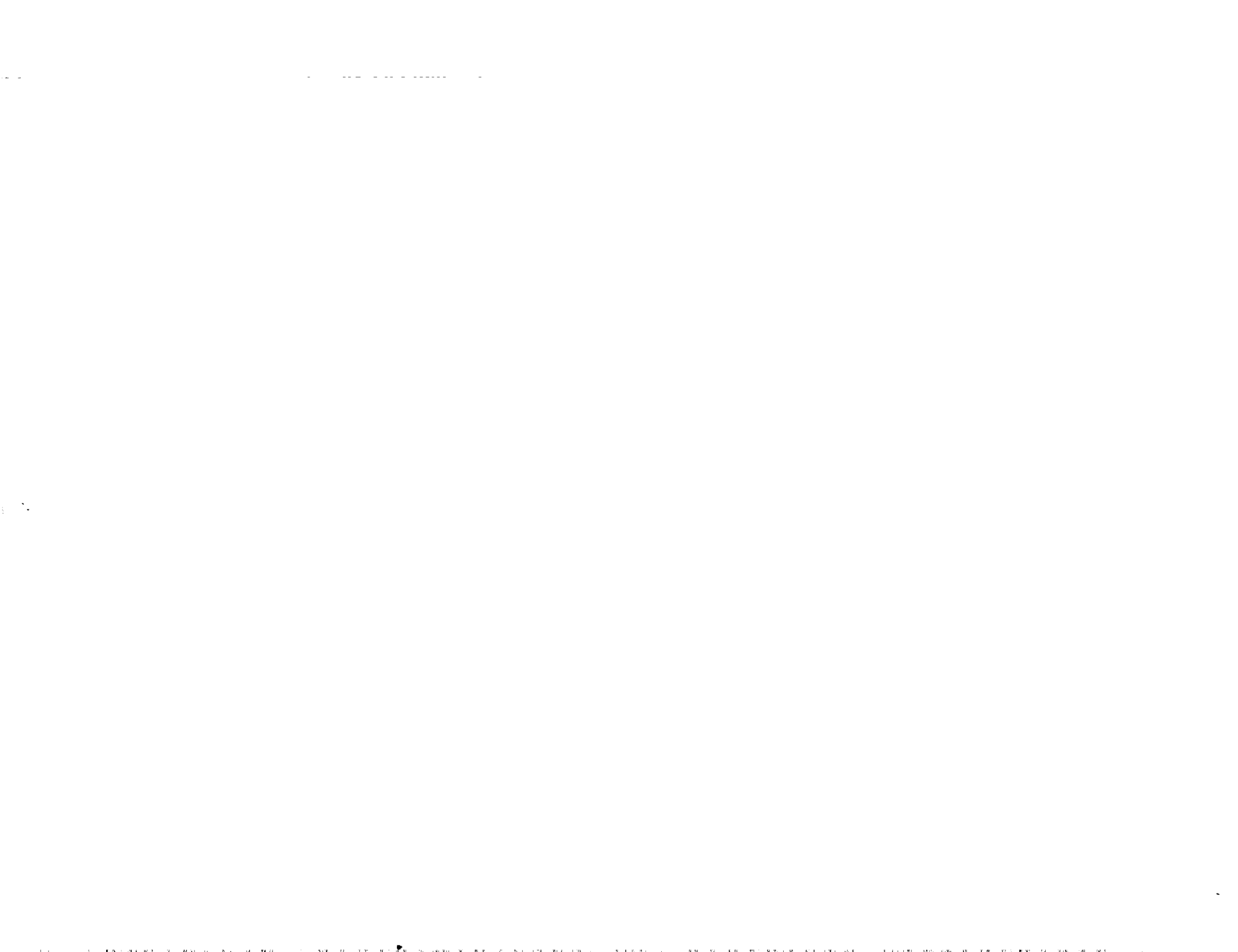
The Department of Labor, which has rebuilt its staff on ILO technical matters, with eight professionals, has the highest level of staffing among the agencies. The Department of State, plans to restore the position it left unfilled in 1983. Commerce has become a stronger participant and has taken the lead on a number of industrial labor issues. State has the lead on foreign policy and overall budget issues, while Labor is responsible for most technical matters including the review of ILO programs.

Preparation for and participation in ILO meetings and conferences has improved since 1980 with the institution of regular preconference briefing sessions and postconference assessments of results by government, worker, and employer delegates. Additional and earlier high-level consultation with other governments and the presence of additional advisors at the conferences is under consideration. (See ch. 4.)

HIGH LEVEL ATTENTION NEEDED  
FOR CONTINUED PROGRESS

The Tripartite Advisory Panel on International Labor Standards (a subcommittee of the President's Committee on the ILO) has made progress in reviewing ILO labor standards for possible U.S. ratification. In February 1983, this Panel forwarded two international labor standards for consideration by the President's Committee with a note that there were no legal objections to ratification. It was not until December 1983 that the President's Committee began its consideration of the standards with a view toward possibly recommending that the President seek the advice and consent of the Senate to U.S. ratification of these standards.

GAO has been concerned that continued progress in improving U.S. participation might be impaired by lack of attention from the President's Committee on the matters outlined above. The first meeting in over 2 years of the President's Committee on the ILO, was held in December 1983. A further meeting is now scheduled for the spring of 1984. Such meetings can help assure continued progress in U.S. participation.



establishment of such a task force. (See ch. 5.)

#### RECOMMENDATIONS

GAO believes the short-form procedure for transmitting ILO conventions concerning international labor standards does not provide sufficient information for Congress to initially consider these conventions. Accordingly, GAO recommends that the Secretary of Labor when transmitting ILO conventions provide sufficient background information on international labor standards to Congress to facilitate consideration of these measures. (See ch. 4.)

GAO also believes that the proposed inter-agency task force would strengthen U.S. capabilities to pursue U.S. budget and program priorities. Although responsibility for overall U.S. policy rests with the President's Committee, responsibility for U.S. policy on the budgets of international organizations rests with the Department of State. Accordingly, GAO recommends that the Secretary of State

--Take the lead in forming an interagency task force from among the member agencies of the President's Committee to establish U.S. budget policy and strategy on the ILO.

--Direct the task force to define ILO program and budget information requirements and the appropriate means of obtaining this information. (See ch. 5.)

#### AGENCY COMMENTS

In their written comments the Departments of State, Labor, and Commerce, and the AFL-CIO generally concurred with the draft report, its conclusions and recommendations, as did the U.S. Council for International Business which provided oral comments.

The Department of Labor adopted a new short-form procedure to simplify the submission of international labor standards to Congress and to better meet ILO deadlines for such submissions. This procedure eliminated the review of these standards for conformance with U.S. labor law and practice when they are not under consideration for ratification. ILO Labor standards, both those recommended for ratification and others, are required to be submitted to Congress in accordance with ILO agreements. While Labor noted that it would provide such information if Congress expressed an interest, GAO believes the new procedure, which transmits the ILO convention without any analysis or comment, does not provide Congress with sufficient information to initially consider the measures. The Department of Labor has agreed to revise its procedures. (See ch. 4.)

#### NEW APPROACHES PROPOSED BY LABOR DEPARTMENT

To increase U.S. impact on ILO activities, the Labor Department initiated an in-depth analysis of the ILO budget and program early in 1982. This was used to develop an alternative setting out U.S. program priorities and budget cuts to the entire 1984-85 ILO regular program and budget. These alternatives, which the Department of State helped refine and present to ILO officials, were presented after most ILO program managers had made their budget recommendations and did not cover the extensive ILO technical assistance program. Even so, reductions in program growth were made by the Director General. But U.S. officials recognized that they could have greater influence if they presented U.S. views earlier. To overcome these constraints, Labor proposed that the State Department chair an interagency task force to develop a more timely budget policy and strategy based on U.S. objectives for the ILO and that a Labor funded technical officer be assigned to the U.S. Mission in Geneva to gather and analyze the information needed to pursue such a policy. State believed alternatives to the technical officer should first be explored. Labor believed the task force could more thoroughly review budget matters than could the Consultative Group. State has no objection to the



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## CHAPTER 1

### INTRODUCTION

In February 1980, the United States reentered the International Labor Organization (ILO) following a 2-year absence. The United States had withdrawn from the ILO in 1977, severing a membership which began in 1934, to protest various adverse trends which it believed were diverting the organization from its stated ideals. In order to assess the efforts of the various U.S. agencies involved in furthering U.S. participation the Chairman, Senate Committee on Labor and Human Resources, asked us to update our previous review of U.S. participation in the ILC.<sup>1</sup>

The ILO, with a current membership of 150 countries, was established in 1919 to set international labor standards for improving working conditions, generating employment, and promoting human rights. In addition, the ILO administers bilateral and multilateral technical assistance projects in various countries. Based in Geneva, the ILO is unique among the United Nations specialized agencies in that it is structured on a tripartite basis--representation of government, workers, and employers for each country. Member countries undertake to nominate employer and worker delegates chosen in agreement with individual organizations most representative of employers or working people. U.S. officials believe that the basic question of tripartism is complicated by the principle of universality, which requires similar representation of every member country regardless of governmental structure. The contradiction is apparent in those member countries, such as the Soviet bloc and certain less developed countries, which have highly centralized economic structures where distinctions between government, business, and labor are not clearly defined.

### ILO STRUCTURE

The ILO consists of a yearly general assembly, the International Labor Conference; an executive council, the Governing Body; and a permanent secretariat, the International Labor Office. (See chart p. 2.) The Organization also sponsors regional conferences, industrial committees, and panels of experts.

The International Labor Conference elects the Governing Body; adopts the ILO budget, financed by contributions from

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<sup>1</sup> Need for U.S. Objectives in the International Labor Organization, May 16, 1977 (ID-77-12). See also Numerous Improvements Still Needed in Managing U.S. Participation in International Organizations, July 18, 1974 (B-168767); U.S. Participation in the International Labor Organization Not Effectively Managed, December 22, 1970 (B-168767).

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#### ABBREVIATIONS

AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
GAO	General Accounting Office
ILO	International Labor Organization
IMEC	Industrialized Market Economy Countries
OMB	Office of Management and Budget
UN	United Nations
UNDP	United Nations Development Program

member states; sets international labor standards; and provides a world forum for the discussion of social and labor questions. The international labor conventions, when ratified by members, have the force of international treaties and their application by members are subject to the review and comment by the ILO. For the annual Conferences, each of the now 150 members provides two government delegates and two delegates selected to represent the workers and employers.

The Governing Body meets 3 times a year to decide questions of policy and program. It presently consists of 28 government members, 14 employer members, and 14 worker members. Ten countries of "chief industrial importance," including the United States, have non-elective government representatives, and other countries are elected every 3 years by government, worker, and employer groups in the Conference.

The International Labor Office is headed by the Director-General, who is appointed by the Governing Body. Its nearly 2,000 employees administer the ILO operations and supervise research and publication activities.

#### ILO BUDGET AND U.S. CONTRIBUTIONS

Programs in the ILO regular budget are totally financed by member contributions. Other ILO administered programs are funded by other organizations, the major one being the United Nations Development Program (UNDP), and are not included in the regular ILO budget. The last eight biennium regular budgets and U.S. contributions are compared in table 1.

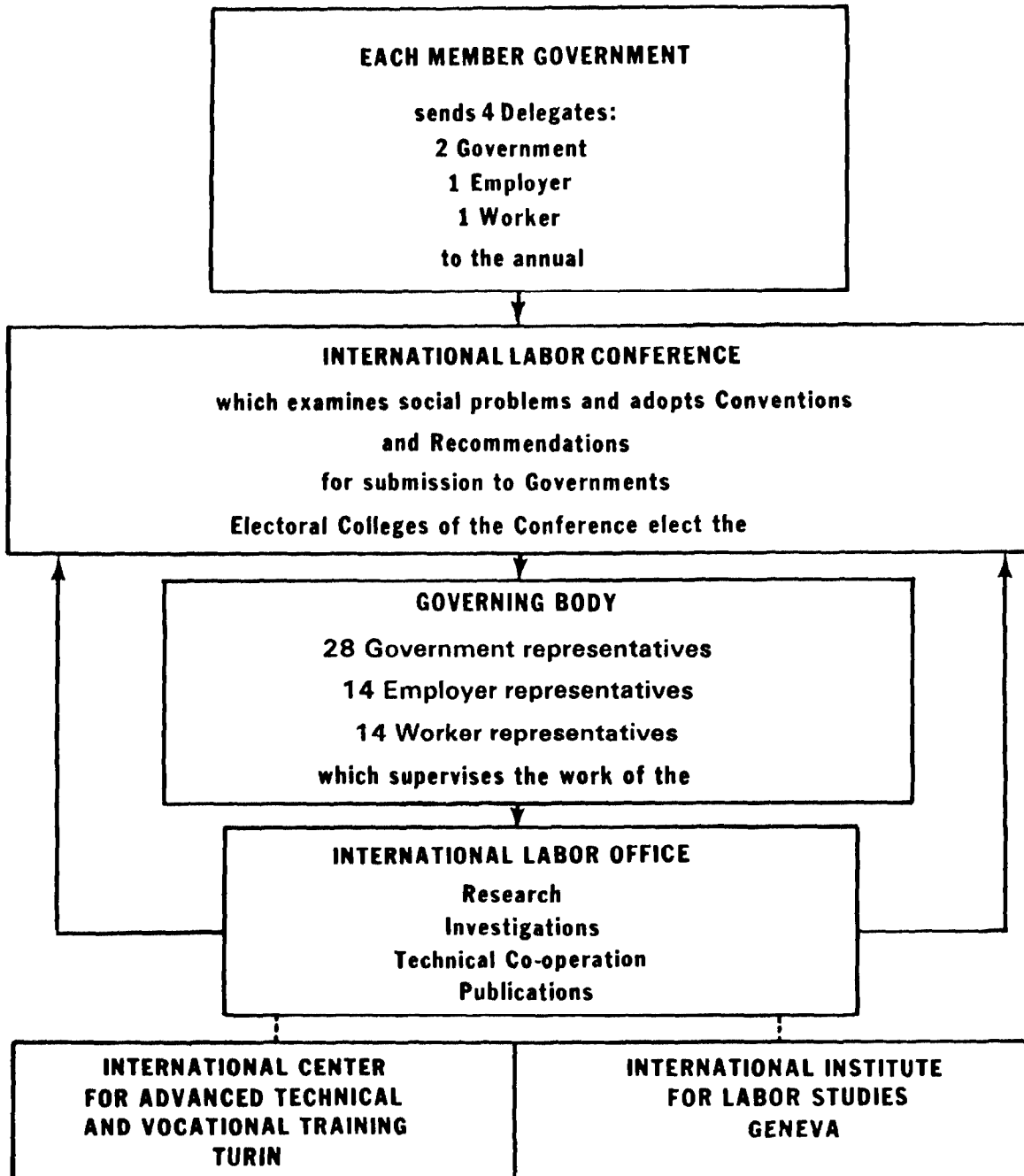
Table 1  
Comparison of U.S. Contributions with ILO Budgets

<u>Biennium period</u>	<u>ILO budget</u>	<u>U.S. contribution</u>	<u>U.S. as percent of budget</u>
	----- (millions) -----		
1970-71	\$ 59.7	\$ 14.9	25.0
1972-73	69.7	17.4	25.0
1974-75	90.3	22.6	25.0
1976-77	160.6	37.6	23.4 <sup>a</sup>
1978-79	201.1	-	-
1980-81	197.9	46.1	23.3 <sup>a</sup>
1982-83	244.1	60.6	24.8 <sup>b</sup>
1984-85	254.7	63.7	25.0

<sup>a</sup> Less than normal United States contribution of 25 percent because the United States was not a member for the entire biennium.

<sup>b</sup> Less than 25 percent because \$1.7 million regular budget support for the Turin Center was included in the 1982-83 budget but was not assessed on members during the biennium.

# INTERNATIONAL LABOR ORGANIZATION



Body is the President of the U.S. Council for International Business.

Delegates and their advisors are primarily selected from the Departments of State, Labor, and Commerce, the U.S. Council for International Business, and the AFL-CIO. (Appendix I lists the U.S. delegation to the June 1983 International Labor Conference.) Additional assistance is drawn from other state and federal agencies and the business and labor communities as needed.

U.S. participation in the ILO is coordinated by the President's Committee on the ILO (formed in 1980) and its subcommittees: the Consultative Group and the Tripartite Panel on International Labor Standards. The Committee arose out of the previous Cabinet Level Committee on the ILO which was formed in 1975 out of the concerns expressed in the U.S. letter of intent to withdraw. The Committee's purpose is to formulate and coordinate U.S. policy toward the ILO to promote continued reform and progress in the Organization. The Committee is chaired by the Secretary of Labor and includes the Secretaries of Commerce and State, the Assistant to the President for National Security Affairs, the Presidents of the AFL-CIO and the U.S. Council for International Business. The Deputy Under-Secretary for International Labor Affairs is the Counselor of the Committee.

The Consultative Group is a staff level subcommittee which coordinates and supports the Committee. It provides tripartite, interagency technical and administrative advice and generally meets every 3 to 4 weeks. Staff representatives from the Departments of State, Labor, and Commerce; the AFL-CIO; the U.S. Council for International Business; and other groups and federal and state agencies attend as necessary.

The Tripartite Panel on International Labor Standards is chaired by the Department of Labor with representation from State, Commerce, and worker and employer groups. Its purpose is to review international labor standards contained in ILO conventions and recommendations for conformance with U.S. labor law and practice and forward its review to the President's Committee. The Committee is responsible for recommending to the President whether or not to submit conventions to the Senate for its advice and consent to ratification.

Several agencies share responsibility for U.S. representation. The Departments of Labor and Commerce have responsibility for the technical programs in the ILO budget. The Department of State has responsibility for the political aspects of the ILO and reviews the overall level of the ILO budget because the U.S. contribution is financed from its appropriation. The U.S. Mission in Geneva has a full time labor attache for ILO affairs.

In 1983 ILO had 150 members and each member's contribution comprised at least 0.01 percent of the total annual regular budget. The United States contributes at the rate of 25 percent, the maximum rate allowed by U.S. law. Although the U.S. contribution rate has remained constant since 1970 (except for that period when the United States was not a member), other contributors' rankings and rates have changed, as shown in table 2.

Table 2  
Rank and Budget Assessment of 10 Largest ILO Contributors

1983 Rank	Country	Assessment				
		1983 Percent	1976 Percent	1976 Rank	1970 Percent	1970 Rank
1.	United States	25.00	25.00	1	25.00	1
2.	Soviet Union, including Byelorussian SSR and Ukrainian SSR	12.86	14.27	2	11.80	2
3.	Japan	9.51	6.25	4	2.64	8
4.	Federal Republic of Germany	8.25	6.73	3	4.90	5
5.	France	6.21	6.07	5	6.07	4
6.	United Kingdom	4.43	5.82	6	9.14	3
7.	Italy	3.42	3.43	8	2.35	10
8.	Canada	3.25	3.36	9	3.36	6
9.	Australia	1.82	1.57	10	1.83	11
10.	Spain	1.69	1.04	17	1.04	19

U.S. REPRESENTATION TO AND  
PARTICIPATION IN THE ILO

U.S. Government delegates to the International Labor Organization are appointed by the Secretary of State. The two delegates to the annual Conference are the Special Assistant to the Secretary of State for International Labor Affairs and the Deputy Under Secretary of Labor for International Labor Affairs. The latter delegate is also appointed by the President as the sole U.S. Government representative to the Governing Body. Alternate delegates to the Conference are the Ambassador, U.S. Mission to Geneva, and the Senior Policy Advisor, Office of Economic Policy, Department of Commerce.

U.S. employer and worker delegates to the Governing Body and the Conference are also appointed by the Secretary of State but are chosen for appointment by the U.S. Council for International Business, which replaced the U.S. Chamber of Commerce in 1978 as the U.S. employer representative, and the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). In 1983, the U.S. employer delegate to the Conference was the Chairman of the Board of SIFCO Industries, Inc., Cleveland, Ohio. The U.S. worker delegate to the Conference and the Governing Body was the Director, International Affairs, AFL-CIO. The U.S. employer delegate to the Governing



the Agency for International Development; ILO officials in Geneva and Washington, D.C.; and representatives to the Geneva Group, an informal association of major contributors to international organizations. Our work was conducted between January and October 1983.

Legislative data on U.S. participation in the ILO was acquired, and information obtained through interviews was substantiated, to the extent possible, by documentation acquired at the organizations and the locations visited. This included the ILO's programs of work and budget; reports of Conferences, Governing Bodies, and committees; statements of contributions to the budget; organization and U.S. Mission cables of record and programming documents; U.S. position papers; reports of U.S. delegates to ILO meetings; and minutes of the President's Committee on the ILO and its subcommittees.

This review was conducted in accordance with generally accepted government audit standards. We obtained the views and comments of the Departments of Labor, State, and Commerce as well as those of the AFL-CIO and the U.S. Council for International Business on a draft of this report. These views and comments are included in appendices II-VI, except for the U.S. Council for International Business which provided oral comments, and were taken into account in the preparation of this final report.

Labor's Office of International Organizations, Bureau of International Labor Affairs, provides the support staff for the President's Committee and its subcommittees. This office has responsibility for the technical aspects of U.S. participation in the ILO such as international labor standards, technical assistance programs, and analyzing the majority of ILO programs. In addition, the Office organizes and coordinates the United States preparation for the annual Conferences, Governing Body meetings, and industrial committee meetings. The Office Director also acts as chairman of the Consultative Group.

The Department of Commerce's Office of Economic Policy also provides staff to represent the United States in the ILO. Commerce's staff is responsible for coordinating U.S. positions on management, employment, and multinational enterprise issues.

Within the Department of State the Bureau of International Organization Affairs and the Special Assistant to the Secretary for International Labor Affairs handle ILO matters. The Bureau is responsible for planning, coordinating, and implementing U.S. foreign policy towards international organizations. The Bureau's Office of Technical Specialized Agencies has program responsibility for the ILO. The Bureau's Office of UN System Budgets has responsibility for ILO budget matters. The Special Assistant is responsible for providing advice to State and coordinating within the Department and with other federal agencies on labor matters (including the ILO) affecting U.S. foreign policy interests. He also coordinates policy aspects of the labor attache program within State and with Labor.

The U.S. Mission in Geneva has a full time labor attache who provides day-to-day contact with the ILO. The Mission supplies administrative support to U.S. delegations in Geneva. The Ambassador is also available for advice and assistance as needed.

#### OBJECTIVES, SCOPE, AND METHODOLOGY

The Senate Committee on Labor and Human Resources requested that we update our 1977 and previous reports on U.S. participation in the International Labor Organization and evaluate the efforts of the various U.S. Government agencies involved in furthering that participation.

To fulfill these objectives we interviewed officials of State's Bureau of International Organization Affairs and the Special Assistant to the Secretary and Coordinator of International Labor Affairs, Labor's Bureau of International Labor Affairs, and Commerce's Office of Economic Policy, as well as employer representatives of the U.S. Council for International Business and U.S. worker representatives of the AFL-CIO. We also discussed U.S. participation in the ILO with officials of the Office of Management and Budget, U.S. Mission in Geneva, and

on critical ILO issues. The Committee was chaired by the Secretary of Labor and included representatives from State, Commerce, Labor, and the National Security Council. Representatives from the AFL-CIO and the U.S. Chamber of Commerce also participated in the deliberations. In addition, a special diplomatic envoy was appointed to discuss the U.S. concerns with foreign governments in the hope of influencing the ILO through its individual members.

The 1977 Conference indicated continuing problems. It did not adopt the report of the Committee on the Application of Conventions and Recommendations, which monitors enforcement of ILO conventions and recommendations. This report condemned Czechoslovakia and the Soviet Union, among other countries, reaffirmed the universal character of ILO conventions, and sought an ILO sanctioned investigation of Israeli treatment of Arab workers in the occupied territories following normal ILO procedures. The 1977 Conference also did not consider a U.S. proposal which set criteria for determining which resolutions were within the Conference's competence to debate.

The U.S. Cabinet Level Committee in October 1977 debated whether sufficient progress had been made to justify continued U.S. presence in the ILO. The Department of Labor, the AFL-CIO, and the U.S. Chamber of Commerce supported the withdrawal. The Department of State and the National Security Council supported a 1-year extension. The Department of Labor prepared the case for withdrawal and the Department of State prepared the case for an extension, with the decision to be made by the President. On November 1, 1977, the Secretary of Labor announced the President's decision to renounce U.S. membership in the ILO.

#### U.S. REENTERS ILO AFTER PROGRESS MADE

In late 1979, the Cabinet Level Committee decided that sufficient progress had been made to warrant U.S. reentry into the ILO. Events at the 1978 and 1979 Conferences and the Governing Body meetings indicated favorable changes. Favorable instances mentioned in the Committee's unanimous recommendation for reentry included ILO's

- adoption of several Conference resolutions calling for strengthening the ILO's tripartite system of decisionmaking;
- censure of Czechoslovakia and continuing scrutiny of complaints against the Soviet Union and Poland;
- adoption of the secret ballot procedure;
- defeat of the Arab-sponsored, anti-Israeli resolution in 1978 and the absence of any similar resolution in 1979;

## CHAPTER 2

### DESPITE IMPROVEMENTS IN THE ILO

#### BASIC CONCERNS CONTINUE

On November 5, 1975, the Secretary of State announced that unless certain tendencies in ILO activities abated, the United States would withdraw from the Organization. Subsequently, on November 1, 1977, the Secretary of Labor announced the U.S. decision to leave the ILO. Within 28 months the U.S. Government believed that sufficient progress had been made in resolving concerns so that it was possible for U.S. participation to resume. Although the problems noted in 1975 continue to cause concern, the Secretary of Labor noted that the 1983 ILO Conference produced the most dramatic and positive results for the United States of any ILO Conference in the last 25 years.

#### FOUR LONG-TERM CONCERNS NOTED IN 1975

U.S. long-term dissatisfaction with the ILO reached such a point that in 1975 drastic action was necessary. On November 5, 1975, the Secretary of State issued a notice of intent to withdraw from the ILO within 2 years unless four concerns were addressed. The four concerns were the following:

1. Erosion of tripartite representation--efforts by some governments to interfere with or deny the existence of autonomous worker and employer groups within the ILO.
2. Selective citation of human rights violations--the tendency of the ILO annual Conference to cite only non-Soviet bloc states for violations of human rights conventions.
3. Disregard of due process--the condemnation of certain governments by the ILO annual Conference without recourse to established ILO procedures.
4. Increasing politicization--the regular debate of political issues not germane to the ILO's missions.

#### CONCERNS PROMPT U.S. WITHDRAWAL FROM ILO

Following the publishing of the letter of intent to withdraw there were 2 years to decide if sufficient progress had been made in ILO activities to warrant continued U.S. participation.

During the 2 year period, the Cabinet Level Committee on the ILO was formed to develop unified tripartite U.S. positions

report citing the Polish Government's violations of freedom of association, but the report was defeated in the plenary meeting by a narrow eight-vote margin. Following the vote, the U.S. Government delegate, the ILO Director-General, and other delegates commended the Applications Committee for supporting the ILO's machinery for supervising international labor standards.

Secondly, the Conference adopted an anti-apartheid report. The U.S. Government delegate made strong statements denouncing apartheid but expressed reservations on the report's conclusions because it violated the ILO's own due process procedures and went well beyond the ILO's competence.

### 1983 Conference

In a letter to the President the Secretary of Labor noted that the 1983 Conference produced "the most dramatic and positive results for the United States of any ILO Conference in the last 25 years. . . ." The letter cited two major victories at the Conference--countering of a Soviet effort to degrade the ILO's human rights machinery and defeating another anti-Israeli resolution. The United States successfully supported the ILO report that mentioned Soviet as well as other states' human rights violations. The United States opposed a Soviet memorandum which called into question the ILO procedures which cite human rights violations--a memorandum which was not adopted by the Conference. The United States and its allies also defeated another anti-Israeli resolution. The resolution would have condemned Israel for its policies in the occupied territories (without allowing Israel the ILO's established due process procedures) and in Lebanon (which the U.S. Government considers a political subject more appropriately discussed in the UN Security Council). The Secretary of Labor's letter also noted that despite the positive results of this Conference the concerns which caused the United States to withdraw from the ILO in 1977 are likely to recur and that the United States must work with its allies and third-world countries to address them.

- progress in developing a mechanism to screen out such resolutions that violated ILO due process; and
- general decrease in instances of politicization of meetings.

A Department of Labor paper presented at the December 1979 Committee meeting stated that: "Although withdrawal provided important leverage to use in prompting reforms, to continue to remain outside the ILO would not yield additional returns." The U.S. formally rejoined the ILO on February 18, 1980.

#### PROGRESS CONTINUES BUT CONCERNS REMAIN

The United States continues to monitor and act to minimize the concerns which led to its withdrawal. According to the U.S. delegation reports, the four ILO Conferences since the United States rejoined show the continuation of the problems which led to the withdrawal and also the progress made in minimizing them.

#### 1980 Conference

The 1980 ILO Conference, the first attended by an official U.S. delegation since 1977, adopted a balanced report on violations of the ILO human rights provisions which included a citation of Czechoslovakia. According to the delegation report, it was the first time since 1976 that an Eastern bloc country had been cited by the whole conference. An attempt by the Soviet Union and the Eastern bloc countries to weaken (or eliminate) the ILO's "special list" and "special paragraphs" procedures, which identified countries that did not implement ILO conventions, was again defeated. The report noted that at the same time the Conference adopted a highly political Arab-sponsored resolution which condemned Israel without resorting to ILO's due process procedures.

#### 1981 Conference

The 1981 U.S. Delegation Report labeled the 1981 Conference a notable success. The Conference was notable for the lack of extraneous political discussion. More importantly the Conference adopted a report by the Committee on the Application of Conventions and Recommendations which cited the Soviet Union as well as other countries for deficiencies in implementing basic ILO human rights conventions.

#### 1982 Conference

The next Conference, according to that year's delegation report, was highly political and unpredictable. There were two main problems. First, the Applications Committee issued a

--direction and efficiency of the ILO and its programs, and

--effectiveness of U.S. participation.

The objectives were influenced by two prior documents: the letter of intent to withdraw and the 1971 "Interdepartmental Study of United States Participation in the International Labor Organization." The letter of intent mentioned the four areas of concern the United States had with trends in the ILO: erosion of tripartite representation, lack of due process, selective concern for human rights, and politicization. The 1971 study identified the interests which the United States sought to promote through its participation in the ILO.

The objectives are designed to stimulate active and positive U.S. participation in the ILO's political, administrative, and technical activities. The statement of objectives is the operative document directing U.S. participation in the ILO. Initially, U.S. objectives were general; since 1980, they have become more specific in identifying actions and timeframes.

The President's Committee reviewed the objectives several times. In the 2-year interval, between the October 1981 and December 1983 meetings, the Consultative Group revised the objectives twice; the latest draft was dated April 23, 1983 (earlier drafts were drawn up in 1982). The revised U.S. objectives (in fact those used throughout 1982 and 1983) were not formally approved by the United States' policymaking body for ILO activities until December 16, 1983. These objectives were drawn up in consultation with the U.S. Council for International Business and the AFL-CIO.

As approved by the President's Committee in December 1983, the U.S. objectives were as follows:

- Preserve and strengthen the ILO's machinery for the supervision of international labor standards.
- Promote a greater sense of fiscal responsibility in the ILO budget process.
- Maintain and strengthen the autonomy of the Worker and Employer groups.
- Ensure that resolutions considered by the Conference are politically and technically responsible, within the competence of the ILO's mandate and appropriately implemented.
- Maintain a continuous U.S. seat on the ILO Governing Body, while ensuring that the ILO adopts

## CHAPTER 3

### U.S. OBJECTIVES ADDRESS LONG-TERM CONCERNS

Prior to rejoining the ILO the United States developed a series of objectives to focus its participation in the Organization. The objectives seek to minimize the problems which initially caused the United States to withdraw and to improve U.S. participation. These objectives were developed by the President's Committee on the ILO. In addition, the Departments of State, Labor, and Commerce each use the objectives to guide their participation in the ILO.

#### U.S. OBJECTIVES DEVELOPED TO MANAGE U.S. REENTRY INTO AND PARTICIPATION IN ILO

In 1977 we issued a report criticizing the lack of U.S. objectives for participation in the ILO.<sup>1</sup> We recommended that the Departments of State, Labor, and Commerce

- develop overall objectives for U.S. participation in the Organization;
- coordinate these objectives with the employer and worker representatives; and
- develop a strategy for achieving the objectives, making sure that if the United States remains a member, it maintains a high level of interest so that recent initiatives by U.S. agencies can be further developed and carried out.

The United States left the ILO in November 1977, and the recommendations were not therefore implemented.

In 1979, just prior to U.S. reentry into the ILO, the President's Cabinet Level Committee on the ILO, the precursor of the President's Committee on the ILO, formulated 11 objectives to manage and direct U.S. activities in the Organization. The objectives formulated were organized into three broad categories relative to the

- issues cited in the letter of intent to withdraw,

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<sup>1</sup> Need for U.S. Objectives in the International Labor Organization, May 16, 1977 (ID-77-12).



U.S. objectives in providing guidance for U.S. participation in the ILO.

Labor Department objectives  
same as tripartite objectives

As the Secretariat for the President's Committee, Labor's Office of International Organizations, Bureau of International Labor Affairs, is responsible for drafting U.S. objectives, monitoring them, and preparing the objectives status report for the President's Committee. Specific objectives for office activities use the U.S. objectives as a framework and are determined by the Office Director, in concert with the Deputy Under Secretary for International Affairs, the Consultative Group, and the President's Committee.

The Labor Department has taken the lead in evaluating U.S. objectives. In addition to preparing the status reports, Labor has evaluated U.S. objectives in terms of our past reports and has suggested and implemented annual objectives. Labor's February 23, 1981, memorandum, "Review of Action on GAO Recommendations" to the Consultative Group mentioned that, although U.S. objectives could be more measurable, they substantially met the criteria we recommended.

Commerce Department uses U.S. objectives

The Senior Policy Analyst, Office of Economic Policy sits on the Consultative Group and works with Labor and State in preparing for U.S. participation in the ILO. Commerce's objectives consist of the U.S. objectives as they apply to Commerce's expertise and internal objectives developed by the Senior Policy Analyst. Commerce has lead responsibility for several areas: termination of employment, employment policies, and specific meetings of ILO industrial committees, and the ILO multinational enterprise committee. In addition, Commerce shares responsibility with Labor for the ILO's Operational Programs Committee and Industrial Committees.

and scrupulously adheres to a fair and responsible arrangement for determining government and non-government membership on the Governing Body.

- Develop proposals to make the Governing Body a more effective instrument for managing ILO programs.
- Promote active U.S. participation in ILO Industrial Committees.
- Promote more effective ILO programs.
- Promote more active U.S. participation in the development of new international labor standards.
- Increase the number of qualified Americans on the ILO staff, with special emphasis on selected key administrative positions.
- Strengthen U.S. Government ties with other IMEC<sup>2</sup> governments and establish a more dynamic IMEC role throughout the ILO.
- Create special bridges of cooperation with key developing countries.

The Departments of State, Labor, and Commerce have supplemented the U.S. objectives with their own specific objectives. These agency objectives take several forms but they all seek to specify individual actions and timeframes necessary to deal with long-term concerns of interest to the United States.

State Department's action program complements U.S. objectives

The Labor and Industrial Affairs Office, Bureau of International Organization Affairs is responsible for staff support for ILO activities in the State Department. This office plans its operations based on the ILO action program. Updated periodically, and compiled with the participation of other State Department offices and executive branch agencies, the ILO action program identifies objectives, timetables for their attainment, priorities, and groups inside and outside State necessary for the successful completion of the plan. State Department officials said that the action program is considered along with the

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<sup>2</sup> Industrial Market Economy Countries--23 of the developed non-Communist states, primarily from Europe but including the United States, Australia, New Zealand, and Japan.

Background papers and other documentation on some issues under discussion are prepared, most often by the Labor Department, with subsequent discussion and comment by the participants. The results of the ILO meetings are discussed and become part of the preparation for subsequent meetings.

#### PROGRESS AMONG AGENCIES IN STRENGTHENING STAFF CAPABILITIES

Upon rejoining the ILO, the U.S. Government, led by the Department of Labor, undertook to improve the management of U.S. participation in the ILO. The Department of Labor serves as the "secretariat" for the Consultative Group in which staff-level tripartite consultations are conducted on a frequent and continuing basis.

However, the enhancement of capabilities to deal with ILO issues among U.S. Government agencies has been uneven at times. The Department of Labor restored its staffing level to that prevailing at the time of the U.S. withdrawal. The Department of State decreased its staffing by one in 1983. In the division of responsibilities on ILO affairs between State and Labor, State has the lead on foreign policy issues and overall budget levels while Labor concentrates on the technical issues including the ILO program budget. Commerce has played a more active but still limited role in comparison with the Departments of State and Labor.

#### Department of Labor enhances capability

The Department of Labor retains a leadership role in ILO policy and program matters. It still has prime responsibility for the technical aspects of ILO activities such as international labor standards and technical assistance programs which it had prior to 1977. The Office of International Organizations under the Bureau for International Labor Affairs carries out these responsibilities.

Department of Labor officials noted that they have attempted to solve the problems identified in our 1977 report. They have reestablished the staff that works on ILO matters, which fostered coordination on ILO matters among U.S. agencies and employer and worker groups, and proposed U.S. alternatives to ILO budget and program proposals.

In the fall of 1976, Labor hired additional staff to better enable it to carry out its ILO responsibilities. New initiatives were being undertaken, including work on ILO's programming and budgetary process. These activities were related to the controversy surrounding whether or not the United States would remain in the ILO. By November of 1977 when the United States officially withdrew, the number of professional employees devoted to ILO matters had increased to a total of eight.

## CHAPTER 4

### HIGH LEVEL ATTENTION NEEDED TO ASSURE

#### CONTINUED PROGRESS IN U.S. PARTICIPATION

U.S. management of its participation in the ILO has improved since the United States reentered that organization in 1980, but further improvements are necessary. Staff level coordination on a tripartite basis and among U.S. Government agencies through the Committee's Consultative Group occurs regularly. There has been uneven progress among the Departments of State, Labor, and Commerce in strengthening staff capabilities. Preparation for and participation in ILO meetings have also improved but further attention is needed concerning the composition of the U.S. delegation to the annual Conference. A Tripartite Advisory Panel on International Labor Standards was established to consider the legal aspects of ILO conventions and recommendations, but it needs high level attention if its work is to continue.

We noted in our 1977 report that the level of interest in U.S. participation subsided as each crisis with the Organization subsided. We have been concerned that such a pattern of alternately high and low interest levels might be repeated. As noted earlier the full President's Committee had not met in over 2 years until December 1983. Another meeting is planned for spring 1984. Such meetings could help assure continued progress in U.S. participation.

#### STAFF LEVEL TRIPARTITE CONSULTATION IMPROVED

The Consultative Group of the President's Committee on the ILO has established the framework for a continuous process of consultation among the staff of U.S. Government agencies, and employer and worker groups. Most tripartite consultations, including the review of objectives, take place within the staff-level Consultative Group.

The Group addresses itself to the full range of interests and objectives relating to participation in the ILO by Government, workers, and employers. Since the United States rejoined the ILO, the Group has reviewed the status of U.S. objectives and it periodically considers whether they should be revised and/or updated. It also considers how well the United States is meeting the objectives. It has initiated preparations for and follow-up to participation in the annual ILO Conferences, Governing Body meetings, industrial committees and other meetings; promoted the recruiting of Americans for positions in the ILO; conferred on labor standards issues in the United States and elsewhere; and considered positions on the ILO's program and budget.

direction of the ILO as well as a short-term effort to contain budget growth.

Department of State decreases  
level of staffing

The Department of State has prime responsibility for the foreign policy aspects of U.S. participation in the ILO. Because the U.S. contribution to the ILO is included in the State Department appropriation that agency is also responsible for setting overall budget policy. These responsibilities are carried out by the Special Assistant to the Secretary and Coordinator of International Labor Affairs and by the Bureau of International Organization Affairs in consultation with other departmental bureaus and offices.

With a staff of two professionals, the Special Assistant reserves his role to the substantive foreign policy issues. He attends meetings of the Consultative Group; clears position papers written by other offices in State, Labor, and Commerce; and participates in the briefings preparing delegates to the annual Conference.

Within the Bureau of International Organization Affairs' Office of Technical Specialized Agencies, responsibility for ILO matters (including the formulation of the State Department's action plan) rests with the Deputy Director for Labor and Industrial Affairs and, until recently, one of his two program officers. In August 1983, the position of program officer for ILO affairs was eliminated. The other program officer concentrates on U.S. participation in the United Nations Industrial Development Organization. This leaves the Deputy Director directly responsible for ILO affairs and also for supervising the other program officer. This actually represents a decrease in the Bureau's staff resources devoted solely to ILO matters; in 1977 a then recently established office of International Labor Organization Affairs had been created and staffed with two full-time officers. The second officer was to provide Washington backup during the Directors' attendance at ILO meetings, alleviating what was then considered by the Department to be a serious weakness.

In responding to our report the Department stated it would have been unwise to have recruited a new ILO program officer while studying a comprehensive reorganization of the Bureau of International Organization Affairs. With the study now completed, State officials said, it seems likely that the position will shortly be filled. As of March 1984, however, State Department officials noted that while they still plan to fill that position, no action had been taken.

One of five staff members in the Bureau's Office of UN Systems Budget is responsible for covering the ILO. However,

By the time the United States rejoined the ILO in 1980, that total had fallen to five. According to Labor officials, much expertise had been lost, due not only to the reduced number but to turnovers when previously experienced staff left in the uncertainty surrounding whether or when the United States would rejoin the ILO.

By 1983, the staff was back to eight professionals including the Director. Staff responsibilities include preparing for Governing Body meetings, monitoring ILO technical cooperation activities, covering ILO program and budget issues, managing U.S. participation in ILO industrial committees, coordinating preparations for the delegation to the annual Conference, promoting the placement of more U.S. citizens in the ILO, and maintaining expertise on ILO labor standards, among many other tasks.

This staff provides the single largest group of advisors to the U.S. delegates; writes most of the position papers on ILO technical matters; analyzes the ILO program and budget; sets up the briefings for delegates to various ILO meetings; and serves as the staff support for the President's Committee, the Consultative Group, and the Tripartite Panel on International Labor Standards.

The initiative to gain a greater understanding of the ILO program and budget has been led by the Department of Labor. In 1981 it undertook to develop a basis for a detailed examination of the ILO budget and the programs it supports. It is in this context that Labor also examines ILO research and publications proposals. Earlier efforts at a separate system for systematically reviewing ILO publications and research were discontinued in early 1982 due to excessive staff time costs. As of June 1983, Labor had detailed one staff member to review the Department's participation in U.S. international visitor programs, including the ILO fellowship program. However, Labor officials said that these separate activities were not high priority items and that the staff resources would be better devoted to budget and program analysis, preparing for ILO meetings, developing position papers, and analyzing ILO field projects.

In early 1982, Labor began its detailed analysis of the ILO program and budget for 1982-83 as a foundation for suggesting changes in the budget for 1984-85. Labor Department staff examined the technical programs and the administrative portion of the ILO budget was analyzed by a former State Department ILO program officer under contract to Labor. State and Commerce did not provide separate analyses but, along with the Office of Management and Budget, provided comments on the draft analyses.

Labor views this initiative as part of a long-term effort to reinforce the attainment of U.S. objectives in the ILO including being able to voice U.S. concerns on the program

an ILO resolution on encouraging management training and entrepreneurship, especially in developing countries, Commerce co-chaired a tripartite conference in October of that year to seek employer and worker support. Since that time, Commerce has taken the position that the United States in reviewing ILO budget and program activities, urge higher priority for activities which support the resolution.

Planning for industrial committee meetings to be held over the next few years has already started, with Commerce and Labor agreeing on a division of responsibility for preparing U.S. Government position papers.

#### PREPARATION FOR MEETINGS IMPROVED

U.S. Government preparation for attendance at the various ILO meetings and conferences has improved. Pre-conference briefings and tripartite consultation are regularly held to focus on the political and technical issues likely to arise and how to deal with them.

Regular ILO meetings include the annual Conference, three meetings each year of the Governing Body, and periodic meetings of the ILO's industrial committees. In addition, there are other meetings such as regional conferences and meetings of experts, to which the United States sends representatives.

U.S. Government preparation is essentially the same for the annual ILO Conference as for the Governing Body meetings, although the amount of preparation for the Conference is greater. Typically, the Department of Labor will query the U.S. Mission in Geneva and U.S. Embassies for information on issues likely to arise at the meetings. ILO pre-conference and meeting documents are received and reviewed. The government delegates then write background, contingency, and position papers for their areas of responsibility. These materials are generally shared with U.S. employer and worker representatives. For the annual June Conference, a special gathering of the entire U.S. delegation, government, workers, and employers, is held in April or May to discuss positions and problems that may arise and to plan U.S. Conference strategy. At about the same time a cable is sent to all U.S. Embassies outlining the U.S. position on ILO issues and requesting that these positions be presented to country officials. In addition, there is a last minute full delegation meeting in Geneva just before the Conference opens.

United States Government representatives also prepare throughout the year as they monitor ILO activities in the course of their daily activities. Tripartite discussions on U.S. preparations also occur at the Consultative Group meetings.

Most people we interviewed noted that current U.S. preparation for the ILO is better now than before the U.S. withdrew

this person is also responsible for four other international organizations and so spends only part time on ILO matters--still an improvement compared with 1981 when only two staff members covered all international organization budgets. In addition, four of the five are civil service positions. Because these positions are not subject to Foreign Service rotation they will allow the Department to provide for greater continuity in budget expertise in the future.

Other Bureau staff also cover certain program, budget and administrative issues in the United Nations and other international organizations including the ILO. These include such areas as recruiting U.S. citizens for positions in international organizations; UN system-wide personnel and management issues, such as salaries and pensions; and program planning, budgeting and evaluation.

Commerce Department role  
more active

While still limited by comparison to the Departments of State and Labor, the participation of the Department of Commerce in ILO affairs has been more active since the United States rejoined the ILO. Although not increasing the number of staff, the Department has taken the lead in determining U.S. positions on such issues as termination of employment, employment policies, and multinational enterprises as well as in preparing analyses for U.S. participation in other ILO industrial committees.

The Commerce employee responsible for ILO affairs is a senior policy advisor in the Department's Office of Economic Policy. This is a higher level position than when the U.S. left the ILO and carries more weight in assuring continued Commerce Department interest in ILO affairs. The advisor is assisted by a labor economist who devotes much of his time to ILO matters.

Commerce shares the preparation of position papers with the Departments of State and Labor and regularly participates in the staff-level Consultative Group. During 1983 the Commerce official responsible for ILO matters also served as the U.S. Government representative to the 10th session of the ILO Building, Civil Engineering and Public Works Committee--one of the 13 standing ILO industrial committees--one of the prime means by which the United States is encouraging more active participation of private enterprise in ILO activities. Commerce, along with Labor, also prepared the U.S. position paper on employment policy and provided the U.S. Government representative on the 1983 ILO annual Conference committee dealing with that topic.

Commerce has participated more actively in promoting the concept of free enterprise in the ILO, along with the Department of Labor. Following the adoption in 1981, with U.S. support, of



PROGRESS ON INTERNATIONAL LABOR STANDARDS  
REQUIRES PRESIDENT'S COMMITTEE MEETING

The Tripartite Advisory Panel on International Labor Standards has made progress in reviewing selected ILO conventions embodying international labor standards for possible ratification. It submitted two such conventions for action by the President's Committee in February 1983. However, the executive branch has been late in submitting these and other ILO conventions and recommendations to Congress. The Labor Department has adopted a new procedure to simplify and expedite submission to the Congress of those standards within the timeframe set out in the constitution of the ILO. Until December 1983, the President's Committee had taken no action on conventions submitted to it and the Advisory Panel had suspended further review of ILO conventions and recommendations pending action by the President's Committee. On December 16, 1983, the President's Committee discussed the two conventions submitted by the Advisory Panel in February 1983 and agreed to draft executive branch letters for review by Committee members and other interested agencies.

New procedure adopted to refer  
labor conventions to Congress

Article 19 of the ILO constitution requires member states to submit conventions and recommendations to the "competent authorities" within 1 year, and in exceptional circumstances no later than 18 months after the closing session of the Conference. Member states are to inform the Director General of their adherence to the deadlines and of the actions taken. In the United States, conventions and recommendations are submitted to the Congress and when appropriate to the U.S. states and territories.

The executive branch did not transmit to Congress the eleven conventions and related recommendations adopted in 1976, 1977, 1981, and 1982 until March 10, 1983. This was the only transmittal since the United States rejoined the ILO in 1980. Only for those conventions and recommendations adopted in 1982 was the United States on time.

Prior to the U.S. withdrawal all conventions and recommendations were submitted to the Solicitor's (legal) Office of the Department of Labor for a full legal review and the formulation of an executive branch position on whether or not to recommend ratification. Each convention and recommendation was then transmitted under the signature of the Secretary of Labor to the Secretary of State requesting transmittal to the Congress. State would then transmit the instruments, with the executive branch positions, to the Speaker of the House and to the President of the Senate.

from the Organization in 1977. U.S. worker and employer delegates stated that the U.S. Government delegation was better prepared and that information and assistance provided to the workers and employers was much improved. They attributed U.S. successes at the June annual Conference in part to the improved preparations.

The Department of State, through its Office of International Conferences, determines the overall size of the Government delegation and has instituted a policy of reducing the number of Government delegate travelers to international conferences by 30 percent compared to FY 1980. Department of Labor officials complained that State cut the U.S. delegation to the 1983 annual Conference, by more than 30 percent, precluding the addition of area regional labor advisors or key labor attaches who could have assisted in efforts to consult with foreign government delegates from their regions. The delegation could have benefited, according to these officials, by the depth of knowledge about and personal contacts with other delegations that regional labor advisors and key labor attaches could have brought to Geneva. Department of Labor officials advised us that their proposal for the 1984 Conference delegation will be within the 30 percent criterion. Department of State officials advised us they are prepared to be flexible in applying the criterion.

Obtaining the support of foreign delegations is essential to the pursuit of U.S. objectives. Without the support of the many developing countries of Asia, Africa, and Latin America the western countries would find it difficult if not impossible to defend ILO principles and procedures from attack. Nearly 2,000 government, worker, and employer delegates and advisors from most of the ILO member countries participated in the June 1983 Conference. Simultaneous committee meetings and plenary sessions further complicate the process of assuring that consultations with key foreign delegates can take place on a timely basis.

Following the June 1983 annual Conference, members of the Consultative Group began considering measures for strengthening ties with other member countries. These measures included a more structured approach to visiting foreign capitals between ILO meetings by members of the President's Committee and the Consultative Group; developing greater awareness of and participation by U.S. Embassies in presenting U.S. views on ILO matters to other member governments; and the possible use of a special envoy or envoys to better assure that U.S. views receive high-level attention in other countries. These ideas were still under consideration at the time we completed our review.

## Advisory Panel temporarily halts work on labor conventions

The only conventions adopted since 1976 that are under consideration within the executive branch for possible ratification are Convention 144 (concerning tripartite consultation on international labor standards) and Convention 147 (concerning minimum standards in Merchant Marine shipping) both adopted in 1976. These two conventions were forwarded to the Secretary of Labor for consideration by the President's Committee on February 22, 1983, with the note that there were no legal objections to ratification. These conventions were given a full legal review and were not subject to the "short form" procedure.

These and other conventions adopted prior to 1976 and considered as potential candidates for future ratification have been under review by the Tripartite Advisory Panel on International Labor Standards. The decision to recommend ratification to the President is made by the President's Committee on the ILO and not by the Advisory Panel. At the time of our review no such recommendation had yet been made and Conventions 144 and 147 had yet to be transmitted to the Congress. From February to December 1983, the Advisory Panel had suspended further review of ILO conventions and recommendations pending action by the President's Committee. On December 16, 1983, the President's Committee, in a step toward possible future ratification, discussed conventions 144 and 147 and agreed to draft executive branch letters for review by members of the committee and other interested executive branch agencies.

## CONCLUSIONS AND RECOMMENDATION

Progress has been made in improving the management of U.S. participation in the ILO since the U.S. rejoined that organization in 1980. However, sustaining that progress will require continued attention from the full President's Committee. As noted in chapter 3, U.S. objectives remained in draft form unapproved by the full President's Committee until December 1983. Agency differences over such issues as delegation size (see p. 22) and approaches to the budget (see p. 35) particularly between State and Labor stemming from overlapping areas of responsibility, may recur and have to be resolved from time to time.

In our 1977 report we noted that U.S. participation in the ILO had been one of crisis management alternated with periods of low interest. At the time we completed this review we expressed our concern that absence of attention from the full President's Committee might represent a return to a period of low interest.

At that time, the Secretary of Labor announced the first meeting in over 2 years of the President's Committee on the ILO, which was held in December 1983. A further meeting was then

Although all ILO conventions are submitted to Congress, Labor Department officials informed us that, there is no current intent to recommend to the President that he seek Senate advice and consent to ratification for nine of the eleven conventions. Therefore little priority has been given to assuring complete legal reviews of these ILO conventions--a lengthy process often taking a year or more in the past.

The submissions of March 10, 1983, were made under a new procedure incorporating a "short form" executive branch letter. The new procedure was devised in the wake of ILO inquiries about the status of U.S. submissions in late 1982. Only the nine conventions and recommendations not under consideration for possible ratification were transmitted in this manner. In this way the executive branch could avoid reviewing each convention at length for detailed comparison of its terms with current U.S. law and practice, bring itself up-to-date on submissions to the Congress, and put itself in a position to meet ILO deadlines in the future, at least on those conventions not intended for possible ratification.

Under the short form procedure the conventions and recommendations are submitted by the Labor Department's Bureau for International Labor Affairs to its Solicitor's Office. They are then submitted to the Advisory Panel where, representatives of U.S. employer and worker groups can comment. The conventions and recommendations are then transmitted by the Deputy Under Secretary for International Labor Affairs to the Assistant Secretary of State for International Organization Affairs along with the short form letter for subsequent transmittal by State to the Congress. The Department of Labor will then complete transmittal to the U.S. states and territories.

The short form letters carry no recommendation for legislation and provide no analysis of the conventions. While this procedure may meet the letter of ILO requirements, it provides little information to Congress. We believe it would be more helpful to Congress if the executive branch provided additional information on the conventions. For example, a more complete description of the conformance of the proposed conventions with U.S. labor law and practice might be more useful to Congress in any deliberations of these matters.

The Department of Labor has agreed that adequate information on ILO standards should be given to Congress and will revise the short-form procedure as well as explore with the appropriate House and Senate committees means for providing additional information. A Department of Labor official told us that an expression of interest by Congress would be sufficient to initiate a full law and practice review.

## CHAPTER 5

### NEW APPROACHES SHOULD BE ENCOURAGED TO INCREASE

#### U.S. IMPACT ON ILO ACTIVITIES

In our 1977 report we noted that U.S. officials were about to undertake a new approach to gaining sufficient information on ILO programs and to having an impact on ILO planning and budgeting priorities. Although that initiative was overtaken by the U.S. withdrawal from the ILO, it was revived in 1980 and is still ongoing. United States policy has also been to oppose any real growth in the budgets of the international organizations. The United States took a firm stand on budget growth in the ILO which raised some concerns that this may limit incentives for the ILO to constrain budget growth and to meet U.S. program priorities in the future.

The U.S. initiative was also undertaken late in the ILO's program and budget cycle although earlier than in previous years. Therefore, the U.S. was able to make its views known before the ILO budget documents for 1984-85 were published and debated but only after ILO program managers had completed their budget proposals. Reductions in proposed program growth were made by the Director General and by member governments of the Governing Body but U.S. officials recognized that they could have greater influence if they presented U.S. views earlier.

To overcome these difficulties, the Department of Labor has proposed an interagency effort to continue and strengthen its budget analysis, develop a timely ILO-specific budget policy, establish a continuous dialogue with the ILO on technical issues, explore alternatives for more coordination with other member governments, and promote stronger oversight and evaluation of ILO field programs.

These efforts, like those that preceded them, are centered on the ILO's programming and budgeting process. For that reason we are updating the description of that process contained in our 1977 report. The two most important documents in this process are the ILO's biennium program and budget covering a 2-year period and the medium-term plan covering a 6-year period. Both documents are submitted to the ILO Governing Body for debate and then to the annual Conference for final approval.

#### PROGRAMMING AND BUDGETING PROCESS

The biennium budget and the medium-term plan on which it is based are prepared in consecutive years. The medium-term plan is approved in even years; the budget covering the first 2 years of that plan is approved the following year. Thus, the 1984-85 program and budget was submitted for approval in 1983. Normally the medium-term plan is updated every 2 years, so the plan covering 1982-87 was approved in 1980 and reviewed in 1982.

scheduled for the spring of 1984. We believe that such meetings, if continued, could better assure that high level attention is continually focused on improving U.S. participation.

Finally, we believe that Congress is not being provided with sufficient information on international labor conventions. The Department of Labor has said that if there is Congressional interest it will undertake a more complete review of these conventions. However, GAO believes that to initially consider such conventions Congress needs more than short form letters containing little information. Accordingly, we recommend that the Secretary of Labor

--provide adequate information on ILO conventions to facilitate Congressional consideration of the measures.

#### AGENCY COMMENTS

The Department of Labor generally concurred in our report and its conclusions and recommendations. The Department understood our concern about continued high level interest in the management of U.S. participation in the ILO and agreed that the President's Committee should meet more frequently. The planned scheduling of a President's Committee meeting this spring, staff-level restoration, the Secretary's leading role, and his upgrading of the U.S. representative were cited as demonstration of continued high level attention. The Department noted that it was committed to maintaining this high level interest as it prepared for 1984 and beyond. Labor also noted that it would continue to look for ways to improve consultations and preparations for ILO meetings and conferences.

In response to our recommendation, the Department agreed that Congress must have adequate information on ILO standards; that it would revise its notifications to Congress to include more information; and that it will explore with the appropriate committees of the House and Senate ways in which additional information could be provided.

The Department of State noted that it had no objections in principle to more frequent meetings of the President's Committee, and could endorse the recommendation for providing more information to Congress on ILO labor standards.

The Department of Commerce generally concurred in our report and its conclusions and recommendations. It noted that new approaches and increased diligence are needed to consolidate the gains made in U.S. participation and believed that the policy objectives adopted by the President's Committee provide the necessary framework.

U.S. BUDGET ANALYSIS PROMOTES  
U.S. PROGRAM PRIORITIES

In 1980 the Cabinet Level Committee decided that the United States needed to direct more attention to the Organization's technical work. Since that time the Department of Labor, with assistance from the Departments of State and Commerce and the Office of Management and Budget, has undertaken closer evaluations of the ILO program and budget. The latest result was the development of an alternative budget which reflected U.S. program priorities and budget constraints. It was also the first time the United States had ever prepared such a document for a UN specialized agency.

While stressing overall budget restraint the United States believed the ILO should shift resources from administrative, support, and lower priority technical areas to international labor standards and human rights programs, and to ILO headquarters programs in the fields of training, employment and development--including management development, the role of labor relations in national development, occupational safety and health, statistics, and programming and management.

The United States also proposed that the ILO consider less costly approaches to existing activities and undertake to evaluate program results and better integrate ILO programs. The utility and effectiveness of certain studies, services, and publications--including the ILO's World Labor Report--would be evaluated and the ILO's internal evaluation function strengthened. Greater program integration of training and research activities with employment development and other programs would be given higher priority.

Greater emphasis on the private sector and on employer's and worker's contribution to development was also advocated. Specifically, the United States wanted to see more assistance for small businesses in developing countries using employer and worker organizations, strengthening ILO programs in small enterprise and management development, and increasing the involvement of the private sector in other ILO programs.

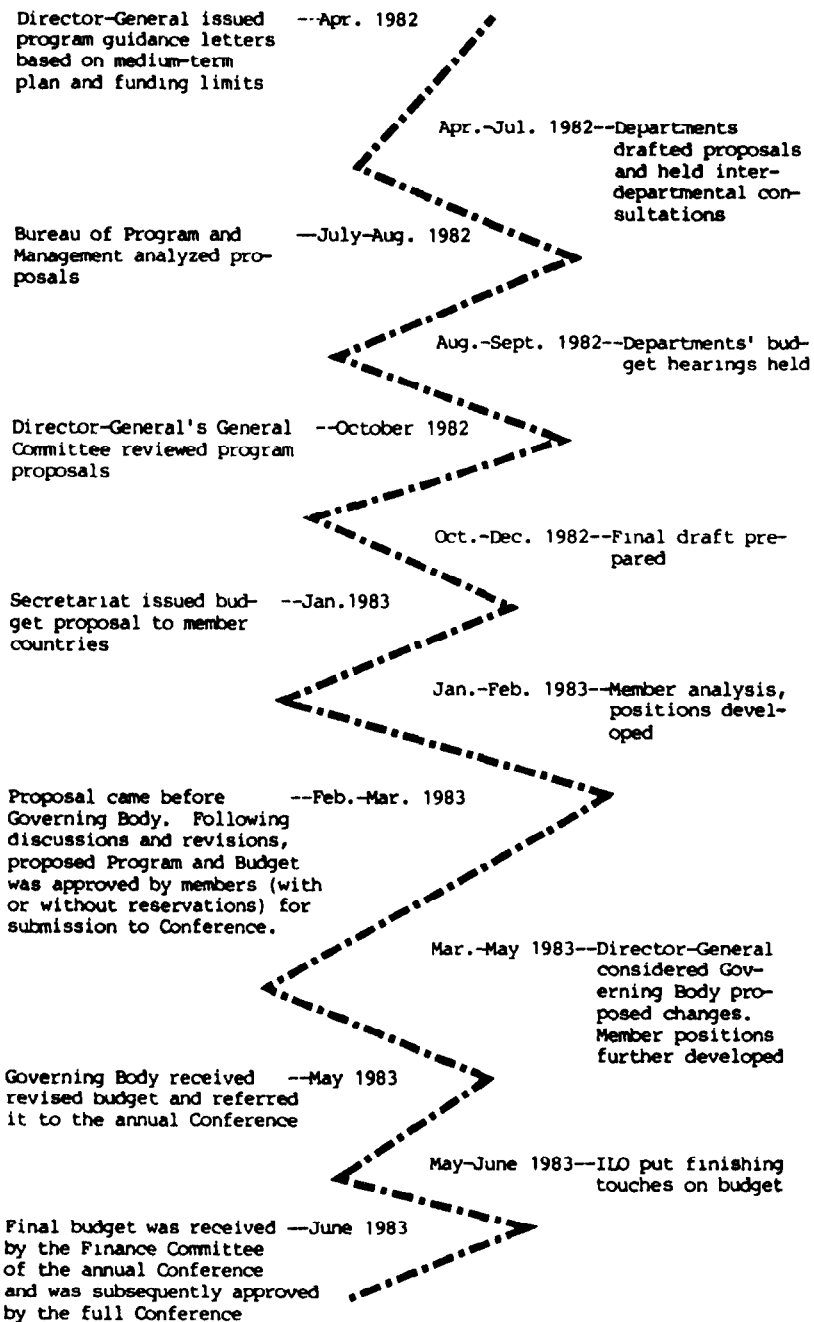
Of highest importance to the United States was the theme of reemphasizing those programs and activities which reflect the basic ideals of the ILO. In addition to the ILO's regular technical programs, the United States sought to strengthen activities under the ILO's international labor standards and human rights program. The United States viewed the latter as central to the mission of the ILO to vigorously supervise actions by governments to live up to the obligations inherent in those standards.

By the end of the February-March 1983 Governing Body meeting the ILO had reduced resources budgeted for administrative

The medium-term plan is the starting point of the ILO's planning process and contains its broad policies and areas of main emphasis. The process of updating the medium-term plan is similar to that of preparing the budget.

The budget process described above is presented graphically in the following chart.

1984-85 ILO PROGRAM AND BUDGET PROCESS





- some influence on the size of the program and budget,
- an increase in program quality,
- demonstration of U.S. leadership,
- stimulation of dialogue between the United States and the ILO, and
- greater U.S. interagency cooperation.

In a comment that reflects the general feeling about the results of the U.S. efforts, the Labor Department assessment stated that, "ILO technical programs largely reflect our priorities and promote the same concepts of pluralism and democratic rights that we cherish." However, despite the benefits listed by Labor, the United States abstained at the budget vote during the annual Conference, largely because of a 1.9 percent net program growth over the 1982-83 budget.

U.S. TAKES FIRM STAND  
ON BUDGET RESTRAINT

The United States while seeking to increase its impact on ILO budget and program priorities has also sought to constrain the growth of the overall size of that budget. Through the 1984-85 international organization budget cycle, United States policy for all international organizations was to seek zero net real program growth (no increase from previous years in overall program budget in constant dollars) and significant absorption of non-discretionary cost increases (less than full allowance for such costs as inflation and adverse fluctuations in exchange rates). To send a strong signal to other international organizations, the United States, in 1983, took a firm stand in applying these concepts to the ILO's proposed budget for 1984-85.

At the conclusion of the February-March 1983 Governing Body meeting, the program growth for the 1984-85 budget over the 1982-83 budget in constant dollars had been cut from 3.1 percent to 1.9 percent. The United States announced that unless further program cuts were made it would vote no on the budget when it came before the annual Conference in June for final approval. Though the ILO program growth was still above the zero target, the ILO's total budget growth rate, including allowance for inflation and exchange rate fluctuations, was less than that for other Geneva-based international organizations. The United States abstained on the ILO budget while voting for some budgets with higher overall rates of growth, as can be seen from the following table.

support. For the most part, these were shifted not to the U.S. priority headquarters programs but to the ILO's field programs, which were not covered by the U.S. budget analysis due to a lack of information in Washington. Additional resources were also devoted to the ILO's international labor standards and human rights program--the very program which officials of the Departments of State, Labor, and Commerce noted was of the highest importance to the United States.

The ILO undertook to explore less costly approaches to technical programs, such as vocational training. The internal audit and the evaluation section of the ILO's Bureau of Programming and Management were increased to better take stock of past program results and an evaluation was to be undertaken by the ILO of its World Labor Report. The ILO placed greater emphasis on coordination and integration of its programs throughout its proposed budget.

The ILO program and budget document placed greater emphasis on private sector tripartite participation in its employment and development program, slightly increased resources for management development training, and noted that the ILO would seek ways to further encourage participation by employer and worker organizations in selected industries in less developed countries. Particular attention, it was noted, would be paid to promoting tripartism in labor administration programs.

The alternate program and budget prepared by the United States was presented in draft form to the ILO in September 1982 as a basis for discussion on the ILO's 1984-85 budget. As a result of these discussions, the United States went into the November 1982 and February-March 1983 Governing Body meetings and the 1983 annual Conference with detailed knowledge of the ILO's technical programs and service and support operations. The Department of Labor became aware in the course of its examinations that any review of ILO field operations would have to wait until more information was available.

After the November 1982 Governing Body meeting and before the February-March 1983 meeting the U.S. Government representative to the ILO noted that the United States had, up to that point, acted to moderate the ILO budget, both in total and at the activity level, expanded the U.S. knowledge of ILO program and budget issues, and also provided a comparison with which to judge the ILO's proposed program and budget.

On September 9, 1983 following the annual Conference and the approval of the ILO's 1984-85 program budget, a Labor Department assessment listed the following six benefits to the United States resulting from the close evaluation of the ILO program and budget:

--increased knowledge of the ILO program and budget,

In commenting on this report the Department of State said all specialized agencies, even the well-managed, would profit from a pause to reassess their programs in the light of past high rates of growth and only after this pause would a selective approach to budget growth be appropriate.

#### MORE INTERAGENCY COOPERATION NEEDED

The detailed U.S. analysis of the ILO program and budget was an attempt to overcome some of the constraints on member influence noted in our 1977 report. Yet, the U.S. views on the ILO budget were presented late in the budget cycle and did not cover ILO field programs, thereby reducing the impact they could have on ILO program priorities. The Department of State and the U.S. Mission in Geneva could not provide personnel to assist in the analysis, which also suffered from a lack of comparison with the program and budget practices of other international organizations. To further strengthen U.S. capabilities to analyze ILO activities the Department of Labor has proposed new approaches. Among them are the creation of an interagency task force to develop an ILO specific budget policy and the stationing of a technical liaison officer in Geneva to carry on a continual dialogue with the ILO to obtain more and earlier information on program and budget and technical matters.

#### More and earlier information needed

The U.S. initiative to develop an alternative ILO program and budget for 1984-85 began late in the budget cycle. It was not until April 1982 that the Department of Labor set out its approach to the analysis and not until September that the initial views on program alternatives were discussed with ILO officials. This is the very period in which the ILO was finalizing its program and budget.

ILO and U.S. officials told us that an earlier opportunity for member countries to have an impact on the ILO planning and budgeting process occurs while programming officials are drafting their proposals--a process which usually starts in April. They reconfirmed that the ILO staff tries to consider member country views while drafting program budgets.

The Department of Labor found that information in Washington on ILO field programs was insufficient for meaningful analysis. As a result these programs, which are funded primarily by extra-budgetary resources, were excluded from the analysis. ILO technical cooperation activities are funded largely outside of the regular ILO budget by funds from the United Nations Development Program and other UN and bilateral funding sources. These extra-budgetary funds total an estimated \$204 million for the 1984-85 biennium. Regular ILO budgetary resources for technical cooperation, by comparison, total an estimated \$16 million for the same period.

Budget Growth of United Nations  
Specialized Agencies in Geneva  
and U.S. Voting Record

<u>Agency<sup>a</sup></u>	<u>Budget period</u>	<u>Program growth</u>	<u>Total budget growth</u>	<u>U.S. position</u>
		-----percent-----		
ILO	1984-85	1.9	4.4	Abstained
ITU	1984	2.3	8.6	No
WHO	1984-85	-0.3	10.9	Yes
WMO	1984-87	0	1.6	Yes
UPU	1984	(b)	12.7	Yes
WIPO	1984-85	-1.2	19.4	No

<sup>a</sup>International Telecommunications Union, World Health Organization, World Meteorological Organization, Universal Postal Union, and World Intellectual Property Organization.

<sup>b</sup>Not applicable.

The program budget of the International Labor Organization, covers the costs of its technical programs, meetings, general management, and service and support activities--over 90 percent of the budget. Non-program areas include provisions for unforeseen expenditures, working-capital fund reimbursements, accounting for exchange rate fluctuations, and a small reserve fund. Combined, these form the total regular budget.

Department of State officials informed us that there is no single definition of zero net real program growth or of significant absorption of non-discretionary cost increases. Each international organization must define program costs versus non-discretionary costs. Thus, there was no uniform method by which the United States could apply these concepts in a way which would compare the relative performance of each international organization in holding down budget growth.

At the time the United States announced it would vote no if no further program cuts were made, U.S. Mission and Geneva Group officials expressed concerns that the U.S. budget position did not reward those organizations which performed well in constraining budget growth nor punish those that performed poorly. Thus in their opinion, little incentive would be provided for these organizations to meet U.S. and Geneva Group efforts to constrain future budget growth.

In recognition of the efforts of the ILO to reduce budget outlays the U.S. Government abstained rather than voting no on the budget. Only four other governments abstained--Mexico, Venezuela, Iran, and Yugoslavia. All other governments, workers, and employers (including the U.S. workers and employers) voted for the budget except the Soviet bloc countries which voted no.

State officials noted that the single budget analyst in the International Organizations Bureau responsible for ILO was also responsible for four other international organizations. Similarly, the sole resource management officer at the U.S. Mission in Geneva is responsible for covering the program and budgets of at least six specialized agencies located in that city including the ILO. As a result, the Department of Labor hired a former State Department ILO agency director as a consultant to analyze the administrative portion of the budget. Such an analysis is usually the responsibility of, but is not routinely done by, the Department of State's Office of UN System Budgets.

U.S. officials in Geneva noted that the U.S. program and budget alternative was an example of how such analyses should be made, while acknowledging that it should be started earlier. They noted that no other such in-depth analysis had been prepared for other specialized agencies in Geneva but hoped that such analyses could be made in the future. They noted that understanding the budgets of these organizations is difficult because they are not always comparable and the U.S. Mission is not staffed to prepare such analyses.

The Labor Attache and the Liaison Officer of the Agency for International Development (AID) at the U.S. Mission in Geneva told us that they are cooperating to cover some of the ILO technical programs and to report back to their respective agencies. Both acknowledged, however, that they have neither the time nor expertise to meet all the needs of the Department of Labor for information on ILO technical programs let alone those of both Labor and AID.

AID officials in Washington informed us that they were reorganizing to better oversee coordination with international agencies, including ILO and that they wanted to work more closely with the Department of Labor to that end. They said that they had not been able to respond as well as they would have liked to Labor's request for AID comments on the program and budget analysis but would be in a better position to do so when their Office of Donor Coordination was fully staffed. They also pointed out that AID and ILO conduct similar technical assistance activities such as labor-force planning in developing countries. The Office of Donor Coordination would assess where the ILO and AID are now coordinating such activities in the field and where more coordination is needed, a need which ILO officials expressed to us. Labor officials noted that ILO officials were able to point to the budgetary situation and practices of other international organizations in commenting on U.S. suggestions for specific budget cuts and that the United States needs to be able to respond. Department of State officials noted that valid proposals for budgetary reform should be considered on their merits and that comparisons with the practices of other agencies is secondary.

Improvements have been made by the ILO in making its program and budget documents more complete and informative than in prior years. The extra-budgetary resources are now shown and their planned use included under the program narratives. In addition, ILO officials noted that the program and budget document has been improved by more clearly spelling out program objectives, and by relating such themes as rural development, technology, energy, migrant workers, and others which are not contained in any one department to specific work items in the budget.

ILO evaluation of its programs and activities has concentrated on the development and testing of evaluation methodology, the training of ILO staff and others in its use, and its application to technical cooperation activities. ILO evaluation officials told us that they believe sufficient progress has been made in methodology and training to place greater emphasis on actual evaluation. However, this evaluation is primarily "self-evaluation" done by those with program management responsibilities. As such it is primarily for internal use in improving the design of technical cooperation activities. Increased dissemination of information resulting from evaluation efforts are planned for the 1984-85 biennium, including the annual submission to the Operational Program Committee of the Governing Body of evaluation summaries on selected projects and the publication of an evaluation newsletter. More program evaluations covering a group of projects or themes are planned.

Other evaluation efforts were undertaken. The Joint Inspection Unit of the United Nations serves as an external evaluator for several UN specialized agencies including the ILO. The only review devoted solely to the ILO by the Unit was in 1980 covering one of the ILO-sponsored regional training centers. The Governing Body conducts tripartite reviews of ILO programs in selected countries and the Operational Program Committee recently reviewed the role of experts, counterparts, fellowships, and equipment in ILO technical cooperation activities and the ILO's special public works programs.

U.S. Labor officials, however, noted that such information does not provide a total picture of ILO field activities and that more complete and earlier information is needed than can be provided either in the ILO's program and budget document or in the evaluation efforts.

#### On-site expertise and more interagency cooperation needed

An alternative U.S. budget and program proposal was developed almost solely by the Department of Labor. At the time of its initiation in April 1982 neither the Department of State nor the U.S. Mission in Geneva were prepared to devote personnel to analyze a portion of the ILO program and budget. Department of

have the time to handle. This officer would follow-up on the U.S. budget and program initiatives, aid in further assessing areas such as field programs not previously covered, and deal on a continuous basis with the ILO staff in numerous technical areas. This officer would be funded by the Department of Labor but placed under the control and direction of the U.S. Ambassador in Geneva.

State Department officials said they question the need for a full-time technical liaison officer in Geneva devoted solely to ILO matters. They believe that alternatives such as having Labor personnel in Washington travel more frequently to confer with ILO officials or providing existing U.S. Mission personnel with better guidance on what information is needed should be considered first.

In addition, the Department of Labor recommended that the Department of State increase its capability for making comparative analyses of the budgets and programs of other international organizations because Labor is not in a position to do so. Labor also recommended that there be an interagency effort to increase the already extensive consultations with other governments on ILO program and budget issues. Labor also recommended that the evaluation of ILO field programs be linked to a stronger role for the Operational Program Committee in the Governing Body to oversee those programs.

#### CONCLUSIONS AND RECOMMENDATIONS

The Department of Labor has taken the initiative since the United States rejoined the ILO in 1980 to undertake new approaches to increase the impact of the United States on activities of that Organization. Through closer evaluation of the ILO program and budget it has sought to make known U.S. program priorities, including greater emphasis on the technical programs, more private sector tripartite participation, and a stronger ILO international labor standards and human rights program.

Although it represents continued improvement over past initiatives, the development of U.S. program and budget alternatives for the 1984-85 ILO budget also had its shortcomings. These alternatives were presented late in the budget cycle when most ILO program recommendations had already been made by program managers. ILO extra-budgetary resources for technical cooperation estimated at \$204 million compared with a regular ILO budget of about \$255 million, were not covered because of a lack of information in Washington. Neither the Department of State nor the U.S. Mission in Geneva devoted personnel to work full time with the Department of Labor on the initial budget evaluation. The U.S. position on the ILO budget gave greater weight to net program growth than to differences in overall

Labor and State disagreed on the best approach to budget restraint in the ILO. While Labor has the highest level of expertise on ILO matters, including expertise on the budget and programs of the ILO, State has the final decision. Although the two departments have generally agreed on basic budget policy, they have disagreed over how flexible the United States should be in applying that policy vis-a-vis the ILO. Labor viewed the budget policy as part of a longer-term effort to increase the U.S. role in dealing with the technical budget for which it is responsible. Therefore, Labor tended to take a more flexible view of how much budget growth would be acceptable. State, on the other hand, was concerned that its presidentially approved budget policy for all international organizations be strictly implemented and over how the U.S. position on the ILO budget would be interpreted by other international organizations, for which it has overall responsibility. Therefore, State tended to take a harder line on restraining budget growth.

#### Department of Labor Proposes New Approaches

The Bureau of International Labor Affairs, in seeking to strengthen the U.S. capability to analyze ILO program and budget proposals, recommended in late September 1983 that

- an interagency task force be established and headed by the Department of State to develop an ILO specific budget policy, and
- a technical liaison officer be assigned to the U.S. Mission in Geneva to carry on a continuous dialogue with the ILO on program and budget and technical matters.

The proposed task force to be headed by the Department of State would also include the Departments of Labor and Commerce, the Office of Management and Budget, and the U.S. Mission in Geneva. Its primary purpose would be to establish an ILO-specific budget policy and strategy. It would set future U.S. budget objectives for the ILO, recognizing different U.S. objectives for different international organizations. It would also make U.S. budget objectives for the ILO specific and measurable. An additional objective would be to explore new Governing Body approaches to considering the program and budget. Such a task force would, in the view of the Department of Labor, be in keeping with State's leadership on overall budget policy and afford more detailed attention to program and budget matters than is possible under the tripartite Consultative Group chaired by Labor.

Under Labor's proposal the technical liaison officer would be responsible for covering in greater depth the technical budget and program issues which current mission personnel do not



State noted it has no objection to and can endorse our recommendation that the interagency task force examine information needs and how to satisfy them. It added that, to a large extent, these needs have been defined with respect to the ILO's assessed budget but further progress awaits completion of the Department of Labor's survey of ILO field projects and extra-budgetary activities.

To that end, Labor commented that it has recently launched the first of a series of reviews of ILO field programs. The stationing of a technical liaison officer in Geneva, it added, would strengthen efforts on the regular budget as well as field programs as present U.S. mission officers find it difficult to meet expanding information needs. It has proposed that this be on a 1-year trial assignment, to be extended only if mutually agreeable.

The Commerce Department said it looked forward to active participation in the policy-making processes which would be revised by our recommendations, and which would strengthen the U.S. Government's ability to bring about programmatic and budgetary improvements in the ILO itself.

budget growth performance between the ILO and other international organizations. It also differed from the views of U.S. employers and workers.

To further the U.S. capability to analyze the ILO program and budget, expand the coverage of ILO activities in that analysis, and develop a U.S. budget policy and strategy specific to the ILO, the Department of Labor has recommended additional new approaches. These include the formation of an interagency task force, chaired by the Department of State, to set U.S. budget policy and strategy on the ILO and the assignment to Geneva of a technical officer to pursue a dialogue with the ILO on program and budget and technical matters.

We believe that consideration of these new approaches should be encouraged. The formation of the interagency task force headed by the Department of State and including the Departments of Labor and Commerce, the U.S. Mission in Geneva, and OMB holds the promise of a more thorough consideration of U.S. budget and program objectives and how to achieve them than is possible under the Consultative Group. To be effective, however, such a task force must have more complete and timely information on the ILO's program and budget. According to Labor a function of the proposed technical liaison officer would be to supply that information. State questioned the need for a full-time officer in Geneva and believed other alternatives should first be considered.

Accordingly we recommend to the Secretary of State that:

- The Department take the lead in forming an interagency task force to set U.S. budget policy and strategy on the ILO.
- He direct the interagency task force to define ILO program and budget information requirements and the appropriate means for obtaining this information.

#### AGENCY COMMENTS

State generally agreed with our report and its conclusions and recommendations. The Department said it would be prepared to establish an informal task force bearing in mind that the Department would not resign its statutory responsibility for U.S. contributions to international organizations. The Department said it endorsed the principles of full interagency cooperation which underly our recommendation and added that such consultations took place with respect to the ILO's 1984-85 budget.

The Department of Labor commented that it viewed its approach as successful but that it could be improved and strengthened, recognizing State's lead responsibility.

Technical Advisors (Continued)

Mr. Marshall H. Harris  
Regional Solicitor  
Department of Labor  
Philadelphia, Pennsylvania

Ms. Tanya Kucherov  
International Relations  
Officer  
Office of International  
Organizations  
Bureau of International  
Labor Affairs  
Department of Labor

Mr. Ernest Landy  
Consultant  
Bureau of International Labor  
Affairs  
Department of Labor

Mr. Tadd Linsenmayer  
Director, Office of  
International Organiza-  
tions  
Bureau of International  
Labor Affairs  
Department of Labor

Mr. John W. McDonald  
Political Counselor  
United States Mission  
Geneva, Switzerland

Ms. Julia Edens Misner  
Program Analyst  
Office of International  
Organizations  
Bureau of International  
Labor Affairs  
Department of Labor

Mr. Claude A. Myer  
Director, Vocational Rehabili-  
tation  
North Carolina Department of  
Human Resources  
Raleigh, North Carolina

Mr. William Renison  
International Economist  
Office of International  
Organizations  
Bureau of International  
Labor Affairs  
Department of Labor

Mr. Roger C. Schrader  
Labor Counselor  
United States Embassy  
London, England

Mr. Norman T. Shaft  
Director for Labor and  
Industrial Affairs  
Bureau of International  
Organization Affairs  
Department of State

U.S. EMPLOYER DELEGATIONDelegate

Mr. Charles H. Smith  
Chairman of the Board  
SIFCO Industries, Inc.  
Cleveland, Ohio

Delegation Coordinator

Mr. David A. Ruth, Director  
International Labor Affairs  
United States Council for  
International Business  
New York, New York

69th SESSION OF THE INTERNATIONAL LABOR CONFERENCE

June 1 - 22, 1983  
Geneva, Switzerland

U.S. DELEGATION MEMBERSU.S. GOVERNMENT DELEGATIONMinister Attending the Conference

Honorable Raymond J. Donovan  
Secretary of Labor

Accompanied by: Mr. Mark C. Cowan  
Chief of Staff

Mr. Bart Hess  
Staff Assistant to the Secretary

Government Delegates

Honorable Robert W. Searby  
U.S. Government Representative  
to the ILO Governing Body  
Department of Labor

Mr. John Warnock  
Special Assistant to the  
Secretary and Coordinator  
for International Labor  
Affairs  
Department of State

Alternate Delegates

Honorable Geoffrey Swaebe  
Ambassador, Permanent Repre-  
sentative  
United States Mission  
Geneva, Switzerland

Dr. David A. Peterson  
Senior Policy Advisor  
Office of Economic Policy  
Department of Commerce

Technical Advisors

Mr. Stephen Bond  
Legal Adviser  
United States Mission  
Geneva, Switzerland

Mr. Paul D. Butcher  
Senior International  
Agreements Analyst  
Office of International  
Policy  
Department of Health and  
Human Services  
Social Security Adminis-  
tration

Ms. Jennifer A. Gregg  
United States Mission  
Geneva, Switzerland

Mr. C. Robert Hare  
Labor Attache  
United States Mission  
Geneva, Switzerland

Worker Advisors (Continued)

Mr. Dale Good  
Assistant to the President  
AFL-CIO  
Washington, D.C.

Ms. Jean Ingrao  
Executive Secretary-  
Treasurer  
Maritime Trades Department  
AFL-CIO  
Washington, D.C.

Ms. Eugenia Kemble  
Special Assistant to the  
President  
American Federation of  
Teachers  
Washington, D.C.

Mr. Patrick J. O'Farrell  
Executive Director  
African American Labor  
Center  
Washington, D.C.

Mr. Leon Lynch  
Vice President for Human  
Affairs  
United Steelworkers of America  
Pittsburgh, Pennsylvania

Mr. Laurence Gold  
Special Counsel  
AFL-CIO  
Washington, D.C.

Observers

Mr. William C. Doherty, Jr.  
Executive Director  
American Institute for Free  
Labor Development  
Washington, D.C.

Mr. Lane Kirkland  
President  
AFL-CIO  
Washington, D.C.

Mr. Gebreselassie Gebremariam  
Program Officer  
African American Labor Center  
Washington, D.C.

Mr. Morris Paladino  
Executive Director  
Asian American Free Labor  
Institute  
Washington, D.C.

Advisors

Mr. James G. Cassady  
 Consultant in Union Relations  
 Westinghouse Electric  
 Corporation  
 Pittsburgh, Pennsylvania

Mr. Harold P. Coxson  
 Partner, Thompson, Mann and  
 Hutson  
 Washington, D.C.

Mr. James F. O'Hanlon  
 Manager-Labor Relations  
 Personnel and Consulting  
 Services  
 Mobil Oil Corporation  
 New York, New York

Mr. Michael M. Tarnow  
 Director, Labor Relations  
 Merck & Company  
 Rahway, New Jersey

Ms. B. Jeanne Peters  
 Corporate Director-Affirm-  
 ative Action and Compli-  
 ance  
 Motorola Corporation  
 Schaumburg, Illinois

Mr. Edward E. Potter,  
 Partner  
 McGuinness and Williams  
 Washington, D.C.

Mr. Stewart Sullivan  
 Vice President-Labor  
 Relations  
 Personnel Division  
 Pfizer, Inc.  
 New York, New York

U.S. WORKER DELEGATIONDelegate

Mr. Irving Brown  
 Director, International  
 Affairs  
 AFL-CIO  
 Washington, D.C.

Substitute Delegate

Mr. Michael D. Boggs  
 Assistant Director,  
 International Affairs  
 AFL-CIO  
 Washington, D.C.

Advisors

Mr. Douglas A. Fraser,  
 President  
 International Union, United  
 Automobile, Aerospace and  
 Agriculture Implement  
 Workers of America  
 Detroit, Michigan

Mr. Jesse A. Friedman  
 Assistant Director  
 American Institute for Free  
 Labor Development  
 Washington, D.C.

Mr. Charles D. Gray  
 Deputy Executive Director  
 Asian American Free Labor  
 Institute  
 Washington, D.C.

Mr. Edward J. Hickey, Jr.  
 Attorney at Law  
 Mulholland and Hickey  
 Washington, D.C.

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- o As the report notes, we have restored our ILO staff to full strength despite personnel reductions elsewhere in the Department and a 25% reduction in the Bureau of International Labor Affairs.
- o Secretary Donovan has continued to play a leading role in our participation in the ILO. He has addressed each session of the annual ILO Conference since 1981. No other Secretary of Labor has been this active since 1934, when the U.S. joined the ILO. In addition, the Secretary has met with key ILO officials as well as labor ministers and other heads of delegations in Geneva and Washington, advised the President of our progress in the ILO, and most recently in November 1983 arranged a meeting with Vice President Bush for ILO Director-General Francis Blanchard to discuss current ILO issues.
- o Secretary Donovan also upgraded the post of U.S. Representative to the ILO from a career Civil Service position to the level of Deputy Under Secretary in order to ensure that U.S. Government positions fully reflected high level Administration policies.

We believe that these actions demonstrate continued high level Department of Labor interest in the ILO. We are committed to maintaining this high level interest as we prepare for 1984 and beyond.

4. The report notes on page 42 <sup>(now p. 23.)</sup> that the President's Committee had taken no action on the findings of the Tripartite Advisory Panel on International Labor Standards concerning the possible ratification of ILO Conventions. The December 16 meeting of the President's Committee held an extensive discussion of two Conventions which had been reported to it by the Advisory Panel, and agreed to draft Executive Branch letters for review by members of the Committee and other interested Executive Branch agencies. You may wish to revise page 42 accordingly. (now p. 23.)

5. On page 47 <sup>(now p. 26.)</sup> the report recommends that the Department of Labor provide adequate information on ILO Conventions to Congress to determine Congressional interest. In developing "short form" Executive Branch letters used to transmit to Congress ILO Conventions and Recommendations which are not being submitted for ratification, we hoped to expedite the transmittal process as well as reduce what had been an onerous and relatively unproductive workload.

## U.S. Department of Labor

Deputy Under Secretary for  
International Affairs  
Washington, D C 20210



JAN 11 1984

Mr. Richard L. Fogel  
Director  
Human Resources Division  
General Accounting Office  
Washington, D. C. 20548

Dear Mr. Fogel:

On behalf of Secretary Donovan, let me thank you for giving us an opportunity to comment on the draft GAO report concerning U.S. participation in the International Labor Organization (ILO).

In general, we concur with the draft report and with its conclusions and recommendations. There are, however, a few points which require clarification or updating in light of recent developments.

1. First, we are pleased that the report concludes that staff level tripartite consultation has improved and that we are doing a better job of preparing for and participating in ILO meetings and conferences. There is always, of course, room for improvement and we will continue to look for ways to make our consultations and preparations more effective.

2. We are also encouraged that the report has determined that we have developed tripartite U.S. objectives which identify specific actions and timeframes, as recommended in the 1977 GAO report on U.S. participation in the ILO. Since the present report was drafted, these objectives have been adopted by the President's Committee on the ILO, which met on December 16. You might wish to revise accordingly page IV of the Digest and page 23 of the report. (Now pp. iii and 13.)

3. In several places the draft report expresses concern about continued high level interest in the ILO. We understand this concern and agree that, while it has been difficult in the past to schedule meetings at times convenient to all members, the President's Committee should meet more frequently. At the December 16 meeting, Secretary Donovan announced that he planned to schedule the next meeting of the President's Committee for the spring of 1984.

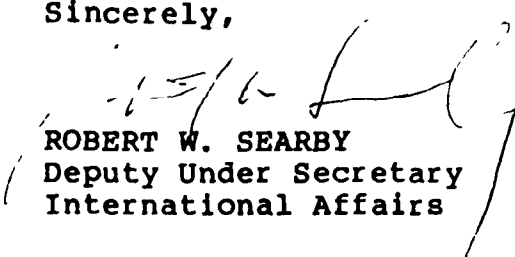
In spite of past difficulties in scheduling meetings of the President's Committee, we believe the Department of Labor has maintained high level interest in the ILO, and we are committed to maintaining this interest in 1984 and beyond. It has already been demonstrated in several ways:



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I hope these comments will be helpful, and again, appreciate the opportunity to review the report in advance of its final release.

Sincerely,



ROBERT W. SEARBY  
Deputy Under Secretary  
International Affairs

- 3 -

We agree, however, that Congress must have adequate information on ILO standards. We will, therefore, revise the Executive Branch letter format to include fuller information on standards, and will explore with the appropriate committees of the House and Senate ways in which we might provide additional background on the standards' legislative histories.

6. We strongly concur with the conclusion that our ability to consult with other member governments during ILO conferences is limited by the absence of regional labor advisers on our delegation. The report incorrectly implies, however, that the Department of Labor has resisted the policy of cutting U.S. delegations by 30 percent. This is not the case at all. We support that policy, but have objected when our conference delegations have been denied essential personnel through cuts of more than 30 percent to compensate for shortfalls in cutting U.S. delegations attending meetings of other organizations. We can field an effective delegation, including regional labor advisers, and still satisfy the 30 percent cut policy. Our proposals for the 1984 conference delegation will do exactly that.

7. The report comments at length on our initiative in approaching the ILO's 1984-85 program and budget. We consider that this approach was successful, but can be improved and strengthened. We recognize, of course, that the State Department has the lead responsibility in this area.

With respect to covering ILO field programs, the report notes that we considered we had insufficient information to cover this aspect of the ILO's work in the 1984-85 budget initiative. Since June we have made progress in filling this important gap. We recently launched the first of a series of reviews of ILO field programs, and hope to complement this approach with regional and area office surveys beginning next spring in Asia.

All of these efforts would benefit, in our view, by stationing a technical liaison officer in Geneva. We share the views of U.S. Mission officers that it would be difficult for them to provide adequate information to meet our expanding needs. We do not agree that these needs can be satisfied through intermittent travel from Washington. In any event, we have proposed that the technical liaison officer would be on a one-year trial basis only, subject to extension if mutually agreeable. This is identical to an arrangement State accepted in the late 1970s with respect to placing a Labor Department official in USUN in New York. That experiment proved to be highly successful, and was, in fact, extended beyond the initial year.

GAO DRAFT REPORT: SUSTAINING IMPROVED US PARTICIPATION  
IN THE INTERNATIONAL LABOR ORGANIZATION

The Department of State is pleased to comment on the GAO Draft Report. We are glad to note that the GAO believes US management of its participation in the ILO and preparations for ILO meetings have improved since we rejoined the organization in 1980.

The following comments are divided into two sections. The first provides general comments and, particularly, comment on the draft report's recommendations. The second provides more detailed views on statements and judgments that appear in the body of the report.

General Comments:

-- Although directed to the Secretary of Labor, the Department of State has no objection to and can endorse the GAO recommendation that deals with providing more information on ILO conventions to Congress.

-- The Department endorses the principles of full consultation and interagency cooperation that lie behind the GAO's second recommendation that the Secretary of State form an interagency task force to establish US budget policy and strategy toward the ILO. At the same time, however, the Department would not be in a position to resign its statutory responsibility for US contributions to international organizations. With this in mind, the Department would be prepared to establish an informal interagency task force to consider the application of our budget policy to the ILO. It should be noted that such consultations, which included the Departments of Commerce and Labor as well as the OMB, took place with respect to the ILO's 1984-85 budget.

-- The Department has no objection to and can endorse the GAO's third recommendation that the interagency task force should examine information needs in the area of the ILO's program and budget and how to satisfy them. The completion of the in-depth analysis of the ILO's program and budget in 1982 has, to a large extent, defined these needs with respect to the organization's assessed budget. On the other hand, further progress in the area of defining information needs must await completion of the Department of Labor's survey of ILO field projects and extrabudgetary activities. The completion of work in this area will give interested agencies a full picture of all the ILO's functions and the basis on which to develop on-going informational needs.



DEPARTMENT OF STATE  
*Comptroller*  
Washington DC 20520

11 JAN 1984

Dear Frank:

I am replying to your letter of Decmeber 12, 1983, which forwarded copies of the draft report: "Sustaining Improved U.S. Participation in the International Labor Organization."

The enclosed comments on this report were prepared in the Bureau of International Organization Affairs.

We appreciate having had the opportunity to review and comment on the draft report. If I may be of further assistance, I trust you will let me know.

Sincerely,

  
Roger B. Feldman

Enclosure:

As stated.

Mr. Frank C. Conahan,  
Director,  
National Security and  
International Affairs Division,  
U.S. General Accounting Office,  
Washington, D.C. 20548

-- On page 46<sup>(now p. 25.)</sup> the draft report notes that, at the time of the GAO review, no recommendation had been made by the President's Committee on the ILO regarding whether to submit ILO Conventions 144 and 147 to the Senate for its advice and consent to ratification. The final report should state that at its December 16, 1983 meeting the President's Committee unanimously agreed to recommend the submission of Convention 147. After further consideration of the formal views of all interested agencies, which the Department of Labor is now collecting, it may be possible to recommend the submission of Convention 144 as well.

On page 47<sup>(now p. 26.)</sup> the GAO draft report mentions a need for more frequent meetings of the President's Committee. The Department of State has no objections in principle to more frequent meetings.

-- Page 48<sup>(now p. 27.)</sup> of the draft report contains a number of statements that merit comment. The first of these, that US budget policy was applied to the ILO without considering differences among international organizations, may leave the impression that the Department was remiss in not making distinctions among the specialized agencies. In fact, the US policy of zero net program growth was applied to all of the agencies (except the IAEA) because the Administration believed that all of their budgets have shown an unacceptable rate of growth over the past decade. It was believed that even agencies that were held to be well-managed needed a pause in their growth to assess current programs and eliminate unproductive or no longer required activities. In short, given the rate of growth in UN system budgets it was thought that the development of a selective approach could only follow upon the achievement of a broad check in growth.

-- Page 48<sup>(now p. 27.)</sup> also contains the statement that the 1982 US in-depth analysis of the ILO's program and budget, which was presented to ILO officials in September and in November to a number of friendly governments, was not available until after the ILO program managers had completed their budget proposals. Similar references appear elsewhere in the draft report, particularly on page 68<sup>1</sup> where it states that most ILO program decisions had already been taken by the time the US analysis was presented. While we would agree that it would have been better to present our analysis as early as possible in the budget formulation process, to imply that it was presented too late to be fully effective seems to overlook two important considerations:

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<sup>1</sup> (now p. 37.)

Specific Comments:

-- The draft report states on page 23 that <sup>(now p. 13.)</sup> "revised US objectives have not been approved by the United States' policy-making body for ILO activities." The final report should note that, at its December 16, 1983 meeting, the President's Committee formally approved a statement of US objectives in the ILO.

-- On page 35 <sup>(now p. 19.)</sup> of the draft report the GAO notes the "decrease" in the Department of State staff resources devoted solely to ILO matters. The ILO program officer position noted in this section of the report has indeed been vacant since September, 1983. The IO Bureau has recently completed a comprehensive reorganization study. While it was in progress, the Bureau believed it would be wiser not to recruit against the ILO vacancy. The study is now complete and, as a result, it seems likely that the position will shortly be filled and that the incumbent will devote a substantial portion of his time to ILO matters. Coupled with active involvement in ILO matters by other IO Bureau staff offices, such as the Bureau's Office of International Recruitment and its office of UN System Budgets, we expect a quite substantial number of manhours will continue to be devoted to ILO affairs.

-- On page 40 <sup>(now p. 22.)</sup> the GAO draft report notes Department of Labor views that the Administration's policy of reducing the size of US Government delegations has hindered efforts to consult with foreign government delegations from other regions. The US tripartite Delegation to the 1983 ILO Conference, which was put together within current policy guidelines, consisted of 39 persons, not counting the Secretary of Labor, his immediate staff or observers. Eighteen of these persons were US Government representatives. Considered in its entirety, the US Delegation included people with experience in all of the organization's major geographical areas. Given these circumstances it is difficult to see how US efforts to consult with other delegations were handicapped. Nevertheless, it should be underlined that the Bureau does not arbitrarily apply a thirty percent cut to each delegation. The cut applies to the total number of government travellers accredited in a year compared with the FY 1980 base. Thus, the Bureau is prepared to be flexible, given sufficient justification, in applying the cut and as necessary would apply a greater cut to other delegations deemed to be of lesser importance.



UNITED STATES DEPARTMENT OF COMMERCE  
The Under Secretary for Economic Affairs  
Washington D C 20230

11 JAN 1984

Mr. J. Dexter Peach  
Director, United States General  
Accounting Office  
Washington, D.C. 20548

Dear Mr. Peach:

The Department of Commerce agrees with the major conclusion presented in the GAO Report: that the management of U.S. participation in the International Labor Organization (ILO) has improved since we rejoined the Organization in 1980. This improvement can be attributed largely to the establishment and regular review by State, Labor, and Commerce of tripartite objectives, improved tripartite consultation, and continuous involvement by high-level officials from the interested departments and senior representatives of business and labor. We believe that these developments have made the U.S. a more effective participant in ILO deliberations and decisionmaking.

We concur with the observation that although some progress appears to have been made with respect to the concerns that led to U.S. withdrawal from ILO in 1977, new approaches and increased diligence are needed to consolidate these gains. We believe that the policy objectives adopted by the President's Committee on the ILO on December 16, 1983, provide the necessary framework for these efforts.

The U.S. Government has committed itself to knowledgeable and vigorous ILO participation. Such involvement requires that we understand clearly the global issues at stake in the ILO; that we work effectively through the Organization's established institutional machinery to achieve desired goals; and that we devote sufficient resources to these purposes.

Since 1980, Commerce has based its ILO participation on a heightened awareness of the Organization's ability to affect the environment in which business operates. The Department looks forward to taking an active part in the revised processes of U.S. Government policy development which would result from implementation of GAO's recommendations, and which would strengthen the U.S. Government's ability to bring about programmatic and budgetary improvements in the ILO itself.

Sincerely,

*Fredrick T. Knieker (for)*

Under Secretary for  
Economic Affairs

First, it presupposes that it is the program managers who control the budget, not the member states, whose first formal debate on the budget did not occur until February, 1983. Second, it assumes that the Director General of the ILO and his deputies, who had the benefit of the US study prior to taking final decisions on the 1984-85 budget, were unable to make substantial revisions in the proposals submitted by their subordinates.

-- Finally, on page 68 <sup>(now p. 36.)</sup> there is reference to a Department of Labor recommendation for an interagency effort to increase consultations with other governments on ILO program and budget issues. It should be noted that the US already engages in numerous multilateral and bilateral consultations with other governments on ILO budget issues. The US, for example participates actively in and is co-chairman of the Geneva Group, western oriented members that contribute one percent or more to international organization budgets. The Group consults on financial matters and attempts to arrive at and implement common positions. The US also actively participates in the IMEC Group, which is made up of the Industrial Market Economy Countries. This group deals more with programmatic issues. The US regularly consults with other governments on these issues through our embassies and missions abroad. Guidance for these consultations normally follows inter-agency consultation. Consultations which occur in Geneva normally involve representatives from at least several agencies.



Gordon L. Streeb

Deputy Assistant Secretary for International  
Economic and Social Affairs



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## American Federation of Labor and Congress of Industrial Organizations



815 Sixteenth Street, N.W.  
Washington, D.C. 20006  
(202) 637-5000

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January 3, 1984

Mr. Frank C. Conohan, Director  
United States General Accounting Office  
National Security and International  
Affairs Division  
Washington, D.C. 20548

Dear Mr. Conohan:

We have reviewed the Draft of a Proposed Report sustaining improved U.S. participation in the International Labor Organization, dated December 1983.

The Draft Report is accurate, objective and thorough in its description of events that have occurred in the International Labor Organization over the last several years. We concur with the conclusions of the Draft Report and appreciate the logic traced throughout the document leading to them.

Sincerely yours,

Michael D. Boggs  
Assistant Director  
Department of International  
Affairs

Deputy U.S. Worker Delegate

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