

Education International
6th World Congress, Cape Town, 22-26 July 2011

Agenda item 14:

DRAFT PROGRAM AND BUDGET 2012 - 2015

1. Introduction

The Program and Budget provides the tools for the implementation of Education International's policies and objectives as well as for the achievement of tasks as prescribed by EI's governing documents. Each Program and Budget covers a four year period from 1 January of the year following Congress until 31 December of the year which is four years later. EI's principal aims are likely to remain unchanged and, therefore, many activities for each new period are follow-up activities or based on the work undertaken during the previous period. This work is reported on in the Annual Reports and in the quadrennial report to the World Congress.

The Program and Budget provides for "Program Activities" which are directly aimed at achieving the five principal aims that were determined by the Third World Congress in Jomtien, 2001. It also covers activities and events related to the governing bodies of Education International, as well as the EI's administrative tasks. These recurrent expenditures, together with personnel costs, constitute more or less 85% of budgeted expenditure.

The Executive Board decided, on the recommendation of the Special Committee on Finances and Structures which was established by the 2007 Congress, that the Program and Budget should be developed through a consultative process with member organisations prior to its submission to Congress for endorsement. It also decided that the Program and Budget should be presented in a format which was simplified in order to make it more transparent and to emphasise the link between the aims of the organization and its program of work. A consultative document was prepared accordingly and issued to member organisations in June, 2010. Four written responses were received to the document. This final document has been developed taking into account the submissions made and the reflections of the Executive Board.

In the responses to the consultative document organisations emphasised the need to focus on the core objectives of EI and to prioritise work and activities towards the achievement of those objectives. They expressed the concern that EI was spreading itself too thinly in trying to respond to too many aspects of the broad agenda which it pursues. The submissions also highlighted the importance of using the scarce financial resources available to maximum effect. In the prevailing economic climate value for money should be an important part of EI's financial planning. One submission highlighted, in particular, the importance of development cooperation in EI activities, while another questioned the wisdom of seeking increases in dues rates as the response to the impact of automatic Belgian provisions for increasing salaries.

EI is facing increasing challenges in its efforts to promote its principal aims. Education has moved up the agenda of priorities for many of the influential global intergovernmental agencies and global financial institutions. Their policies and strategies on education and their recommendations to member governments are, however, too often inconsistent with EI principles, in particular, with the defence of



public education. EI has to respond and interact with these organisations to a greater extent than ever before to try to protect its core values and have them enshrined in the policy documents and development projects undertaken by such organisations. EI also has to interact with many civil society organisations in its pursuit of its aims and objectives. The increasing use of technology facilitates this interaction. However, it has also led to an increasing demand for participation by EI representatives in other organisations' debates and discussion forums and activities. In addition improvements in communication have led to increasing demands from member organisations for more frequent contacts and collaboration with EI and participation by EI representatives in their activities. All of these developments place a burden on overstretched staffing and financial resources.

Since the publication of the Report on Finances and Structures a review of administrative financial procedures and practices has been undertaken with a view to improving the value for money which EI obtains from its dues income. New procedures were introduced, where it was judged necessary, to control expenditure. A handbook has been prepared setting out all of the current financial procedures. This handbook was submitted to and approved by the Finance Committee.

In the development of activities designed to promote the aims of EI in the next Program period every effort will be made to maximise cooperation and collaboration both internally, between the individual units and regional and sub-regional offices in EI, and externally, with individual member organisations, which are also working towards the same aims in the same geographical areas. EI will also work in close collaboration with its Global Union Partners in order to maximise the use of resources and to be most effective in the pursuit of common aims.

No detailed budgets are provided under each Program sub-heading in this Program and Budget. The detailed budgets will be devised on an annual basis and approved by the Executive Board in the context of implementing the decisions of Congress.

In this document some priority areas for expenditure over the four year budgetary period from 2012 to 2015 are identified. The document also makes estimates for general increases in income and expenditure but these will be subject to review by the Executive Board on an annual basis. The figures, where they appear, are calculated on the 2010 income and expenditure figures and on 2011 budget estimates.

In accordance with the recommendations of the Special Committee on Finances and Structures aspects of the proposed Program and Budget may have to be revised further in the light of the financial implications of decisions of Congress on the adoption of resolutions. This Programme and Budget was revised after the development of Executive Board resolutions for Congress and, therefore, takes the financial implications of implementing most of those resolutions into account.

Fred van Leeuwen,
General Secretary

March, 2011

2. Program 2012-2015

2.1. Principal Aims

The Third World Congress, held on 25-29 July 2001 in Jomtien, Thailand, adopted the following Principal Aims:

1.	The right to quality education for all people through publicly-funded and publicly-regulated systems of education.
2.	Improvement of the welfare and status of teachers and other education employees through the effective application of their human and trade union rights and professional freedoms
3.	Elimination of all forms of discrimination in education, whether based on gender, race, marital status, disability, sexual orientation, age, religion, political affiliation or opinion, social or economic status, or national or ethnic origin, and the promotion of understanding, tolerance and respect for diversity in communities
4.	Promotion of democracy, sustainable development, fair trade, basic social services and health and safety, through solidarity and cooperation among member organisations, the international trade union movement and civil society.
5.	Strengthening of Education International through the participation of all affiliated organisations in the life of EI, and the promotion of unity in the education sector.

The above aims continue to determine the course of Education International. The program activities for the period 2012 - 2015 will be part of the strategies designed to achieve these aims. The Program is presented under headings which reflect the aims and areas of work in the EI administrative structures. There are many Program items where the areas of work overlap. In order to maximise efficiency and effectiveness every effort will be made to coordinate the work at secretariat level and to ensure the most efficient use of resources. Campaigns and solidarity programs, for example, contain elements which cross over many Aims and work areas and require a coordinated and integrated approach to ensure their effective implementation. Many policies, for example policy on the promotion of gender equality, must be pursued and promoted across many or all areas of the organisation's work.

The Aims as stated above provide the overall framework of priorities for the Organisation. In developing a Program for the four year period between congresses it is difficult to assert specific priorities for each year of that Program at this remove. Such priorities may be overtaken by events. In that context during the next Program period every effort will be made to build on the work already done towards achieving the overall Aims. Priorities will be developed on an annual basis, as determined by the Executive Board, within the overall framework provided in the Program and other relevant decisions of the World Congress. These priorities should not only respond to immediate concerns and advance towards achievement of the Aims but also be attainable within the timescale and resources available.

2.2. Program Activities

Education and Employment (Aims 1, 2 and 5)

Quality Public Education For All

1. "Hands up for education", the EI campaign to offset the worst **effects of the economic crisis on education provision**, launched in 2009, will continue until the global recession has abated and its effects have been mitigated. EI will undertake research and develop capacity building programs to support member organizations resisting austerity measures in their countries. EI will also continue to play a leading role in the Quality Public Services Campaign launched in 2010 by

the Global Unions. Both campaigns will seek to mobilize public opinion in support of an international financial transaction tax and other fiscal instruments needed to generate public funds required to provide basic social services. Global advocacy will be centered on the international financial institutions, OECD, UNESCO, ILO, WTO and G8/20 Summits.

2. **Privatization and commercialization of education services** and the introduction of detrimental market mechanisms in public education systems will continue to be a focal point. Special attention will be given to sectors particularly vulnerable to these trends, including **Early Childhood Education, Vocational Education and Training** and **Higher Education and Research**. A regular higher education and research conference, a VET Taskforce and an ECE Taskforce will be convened to develop policy and strategies on specific challenges facing these sectors.
3. To accomplish the Millennium Development Goals (MDGs), in particular the achievement of universal primary education (EFA), the promotion of gender equity and the combat of HIV/AIDS, malaria and other diseases, EI member organizations will be encouraged to maximize pressure on national governments which fail to attain the EFA and MDG targets. The **Global Campaign for Education** and the Global Action Week, initiated by EI in 1995, are key tools to mobilize public opinion and will continue to be a high priority for EI. Assistance will be provided to member organizations to produce and distribute campaign material and organize public events. In its advocacy with UNESCO and the World Bank, extra emphasis will be placed on the recruitment of qualified teachers and the development of quality teacher education as a basic condition for the achievement of EFA.

The Teaching Profession

4. Emphasis will be placed on actions to reverse the world-wide **decline in the status of the teaching profession**, particularly the decline in salaries and terms and conditions of employment. EI will seek to counter "de-professionalization" and its most worrisome features, such as the employment of unqualified teachers, the erosion of teachers' professional autonomy, the introduction of standardized testing and related high stake teacher evaluation models. Research will be undertaken to assist member organizations in addressing these issues.
5. EI will encourage member organizations to advocate for high quality **teacher education** and continuous professional development programs. It will further develop teacher competency profiles and produce more language versions of the Declaration on Professional Ethics as tools for member organizations addressing professional standards. EI will actively engage in the "Quality Educators For All project" and the "Global Network for Teaching Quality and Effectiveness".
6. Common action will be developed among member organizations in OECD member states, as well as those countries seeking entry into the OECD, addressing issues that directly concern teachers in the industrial economies, including the use of indicators such as PISA (for students), TALIS (for teachers) and AHELO (for Higher Education) as instruments for policy analysis and development, as well as for political debate. Building on the First Summit on the Teaching Profession, held in New York in March 2011, EI will seek to establish a **mechanism for an international dialogue** between education unions and education ministers on education reform and other issues related to the teaching profession.
7. Member organizations will be encouraged to target **early stage teachers and researchers** in their recruitment activities, to facilitate the involvement of young members in union activities, and remove obstacles to such involvement. International events will be organized for young education union activists.

8. EI will promote the status of the work of **education support staff**. It will advocate for the improvement of their terms and conditions of employment and collect data and identify good practices. To that end it will establish a taskforce to develop strategies and a program of action.
9. EI will campaign for the development of international instruments protecting the rights of **migrant teachers** and their families. It will support international, regional and national efforts to develop and implement policies designed to protect and promote the interests of migrant teachers. It will establish a Task Force on Migrant Teachers to develop strategies and programs.
10. **World Teachers Day** (October 5) will be used as a means to advocate for the application of the ILO/UNESCO Recommendations on the Status of Teachers and Higher Education Teaching Personnel (1966/1997) and other measures needed to advance the interests of the teaching profession.

Human and Trade Union Rights and Equality (Aims 2, 3 and 5)

Human and Trade Union Rights

11. The achievement of human rights and democracy in all countries is a core objective of Education International. Trade union rights are a precondition to make progress towards that objective. EI will focus on the implementation of the **international labor standards** which are more important than ever in an era of globalization, interlinked economic and environmental crises and intense competition. EI will work with its Global Union partners in a renewed campaign for respect for key ILO Conventions by governments and international agencies, especially the conventions protecting freedom of association, collective bargaining, gender equality and non-discrimination, and the convention protecting children against child labor. It will support member organizations in making full use of the relevant complaint mechanisms available through the ILO, the Human Rights Commission of the United Nations and the Committee of Experts on the ILO/UNESCO Recommendation on the Status of Teachers (1966), as well as through regional intergovernmental bodies such as the European Union, the Council of Europe, the Organization of American States and the African Union.
12. **Building dialogue and understanding between cultures** will remain an EI priority. Activities will be developed to reassert universal values of human rights, peace and democracy and mutual respect through education. Activities will be undertaken that build on current programs, such as those in the MENA countries. With its member organizations in Israel and Palestine, EI will continue its efforts to make meaningful contributions to the Middle East peace process.
13. EI will mobilize support for **schools as safe sanctuaries** for students and teachers. It will advocate for education conditions in which all who wish to learn, teach and research, at all levels, can do so in safety, security, dignity and equality. Additional language versions of the EI Declaration will be produced and widely disseminated.
14. Member organizations will be encouraged to actively engage in eliminating **child labor** in their countries. Assistance programs will be developed in close cooperation with the ILO, the Global Unions and the Global March against Child Labor.
15. EI will actively promote the transition towards a low carbon economy and sustainable economic growth. To that end programs will be developed to engage education unions, the teaching profession and schools in the global drive to combat the negative effects of **climate change**. A partnership will be established with Greenpeace International.

Equality

16. Global and regional programs promoting equality and non-discrimination in education and society will be further developed and expanded in **all recognized equality areas**, including gender, marital status, family status, sexual orientation, religion, age, disability, and race or indigenous origin. EI will undertake research into persistent forms of stereotyping in education and encourage the development of course content and training by member organizations supporting these objectives.
17. EI will focus, in particular, on the promotion of **women's rights** and gender equity. It will continue to support EI (sub) regional women's networks. Special attention will be given to decent work policies and poverty reduction strategies including equity in pay, employment conditions and pensions. Global advocacy with the UN Commission on the Status of Women, the ILO and the UN Human Rights Commission will aim at the achievement of commitments made in relation to the CEDAW, CRC, the Beijing Platform for Action and the Millennium Development Goals.
18. EI will address other equality areas, with a particular focus on **indigenous teachers** and indigenous education, as well as on the achievement of equal rights for **GLBT teachers** and support staff. It will organize seminars and workshops at sub-regional and national level and seek the expansion of the EI-PSI GLBT Forum to other Global Unions.

Communications (Aims 1 – 5)

19. EI will advance the **quality of information** provided to member organizations and improve communication with and among the EI membership. The EI Web Portal will be expanded. Accessibility to all available data, including documents presented to and adopted by EI governing bodies, will be facilitated. Extra attention will be given to an effective use of social media as a mobilizing tool. The current two-pronged approach of print and electronic media will be gradually transformed into an internet based information and communication system, depending on the accessibility member organizations have to internet services.
20. Special efforts will also be made to outreach to the **public media** with the purpose of achieving a higher profile for EI policies, activities and advocacy. Member organizations will be urged to make references to Education International in their (press) statements, when appropriate, and to carry the EI logo on their stationary.
21. To help develop the most effective information, communication and public relations' strategies, EI will bring together on a regular basis the communication experts of member organizations (**ComNet**). For that same purpose cooperation with other Global Unions will be intensified.

Solidarity and Development (Aims 4 and 5)

Capacity Building

22. **Capacity building** is one of the key priorities of EI's solidarity and development work. Trade union education and other assistance programs will be developed with and for member organizations in Africa, Asia-Pacific, Latin America, the Caribbean and Central and Eastern Europe. A particular focus will be placed on development work in the countries of North Africa and the Middle East and Central Asia, where the building of active, independent education unions is one of the most crucial factors to democratic development and social progress.

23. Cooperating organizations will be brought together regularly (**DCNet**) to address development strategies, share best practices in development work and coordinate programs.
24. EI will mount campaigns to counter the trend among governments in OECD countries to cut-back or eliminate altogether their financial commitment to **Overseas Development Assistance** (ODA). Member organizations will be encouraged to persuade governments to maintain their development assistance pledges, especially in relation to the achievement of the EFA and MDG goals.

Organizing

25. Organizing is the lifeblood of trade unions. EI will encourage the development of **proactive recruitment strategies** among member organizations and develop and disseminate materials and useful promotional ideas. It will establish an EI network of organizing experts of member organizations (**OrgNet**) to share best practices in organizing work.
26. EI will focus organizing efforts on the **Arab language countries** and on sectors where EI membership is not yet fully developed, such as higher education and research, vocational education and training, early childhood education and education support staff. For that purpose promotional material will be produced.
27. Efforts will be made to establish relationships with independent teachers' groups and organizations in **China** and develop programs to assist these groups and organizations to promote teachers' rights and pay and employment conditions.

Research (Aims 1 – 5)

28. In today's knowledge-based society argumentation based on solid and credible research is essential to the success of organizations in promoting and defending their members' interests. EI will undertake **independent research** to support its proposals and policies and provide member organizations with credible evidence to support their work. Such research will be undertaken directly by the EI staff concerned or by commissioning the research from independent agencies or through the EI Research Institute. Among the research plans are a study on tax evasion by international corporations and its effect on public expenditure, trade union rights in the education sector, and models for the delivery of inclusive education, addressing language in instruction, curriculum content and other elements which affect peoples' attitudes to equality issues.
29. The **expert analysis** of the reports and surveys of other research bodies and international institutions will be made available to member organizations. Policies promoted by international bodies and, especially, by intergovernmental bodies and financial institutions will be analyzed and their potential impact assessed. Information on such developments will be made available regularly to member organizations.

EI Research Institute

30. The **EI Research Institute** will be developed as an independent and credible source of information and data to support EI's advocacy work and that of the member organizations. It will be encouraged to develop indicators and build data-bases needed by member organizations for their advocacy, to collect and disseminate information, to undertake studies on key issues affecting educators in relation to education and in human and trade unions rights, and to help develop the research capacity of member organizations.

Other Programs (Aims 1 -5)

31. Education International is a member of the **Council of Global Unions** which brings together the international trade union movement, i.e. the Global Union Federations, ITUC and the Trade Union Advisory Committee to the OECD. EI will continue play an active role in the CGU and participate in its campaigns and actions. In carrying out the above programs it will seek the cooperation and support of all global unions.

2.3. Governance and Administration

32. In compliance with the constitution a World Congress will be organized in 2015. Meetings of the Executive Board will be held every nine months. Officers will meet prior to and in between Executive Board meetings. Provisions will be made for meetings of the Committee of Experts and the Auditing Committee to be established by the World Congress. The regional structures in Africa, Asia-Pacific and Latin America will be enabled to convene Regional Congresses and Regional Committee meetings, while assistance will be provided for a meeting of member organizations in the North American and Caribbean region. Furthermore, support will be provided to the SAARC Teachers' Federation (STF), the Council of Pacific Education (COPE) and the Caribbean Union of Teachers (CUT).
 33. EI will maintain its current offices in Brussels (Belgium), Accra (Ghana), Kuala Lumpur (Malaysia) and San Jose (Costa Rica); and sub-regional offices in Castries (St Lucia), in Suva (Fiji), as well as sub-regional program offices in Beirut (Lebanon) and Tashkent (Uzbekistan) for the duration of the MENA and STAN programs.
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3. 2012-2015 Budget

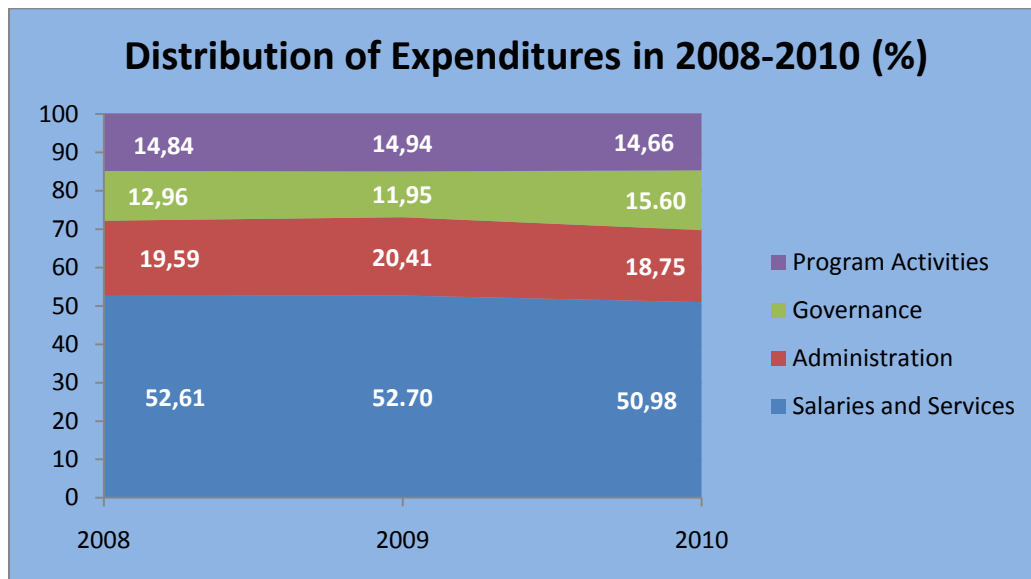
3.1. Projections of 2008-2010 Expenditure

The EI general budget is made up of four areas of expenditure: Program Activities, Governance, Administration and Salaries and Services. "Extra Budgetary Programs" are not covered by the EI general budget. These are funded by external sources. In 2008, 2009 and 2010 the expenditures were distributed as shown in **Table One**:

Table One: Distribution of Expenditures	2008 actual	2009 actual	2010 actual	2011 budget
Program Activities	1,244,398	1,290,227	1,373,076	1,427,015
Governance	1,087,191	1,031,503	1,460,900	1,680,000
Administration	1,642,486	1,762,278	1,756,167	1,541,500
Salaries and services	4,412,242	4,550,851	4,773,617	4,592,303
Total	8,386,317	8,634,859	9,363,759	9,240,818
Extra Budgetary Programs	3,882,845	2,833,481	2,553,565	1,247,518
Total	12,269,162	11,468,340	11,917,324	10,488,336

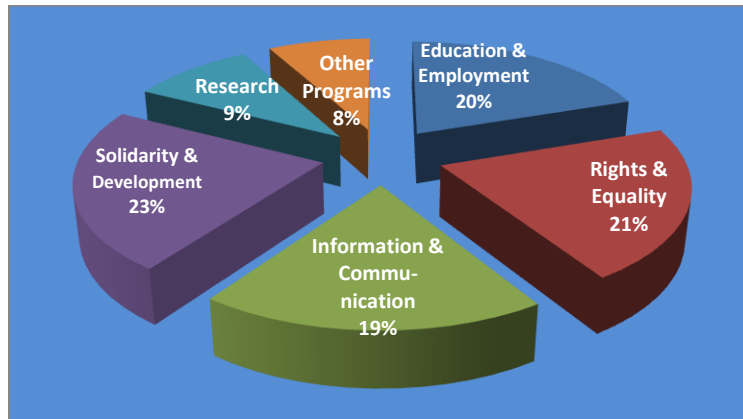
The cost of salaries and services, governance and administration, constitute almost 85% of the budget. As shown in *Figure 1* below, in 2010, Governance expenditures represented 15.6% of the total budget. The administrative cost amounted to 18.75% of the budget, while 50.98% covered personnel costs (Salaries and services). These **recurrent expenditures** – which total approximately € 7.9 million - are the basic operational costs of Education International (*Figure 1*).

Figure 1



The **Program Activities** are the main tools to achieve the targets set for a four year period. These targets derive from EI's principal aims. Funds are allocated to five main program areas, i.e. "Education and Employment", Human and Trade Union Rights and Equality", "Information and Communication", "Solidarity and Development" and "Research". *Figure 2* shows the amounts spent in these areas in 2010, not including personnel costs:

Figure 2 - Program Activities (2010): € 1,373,076



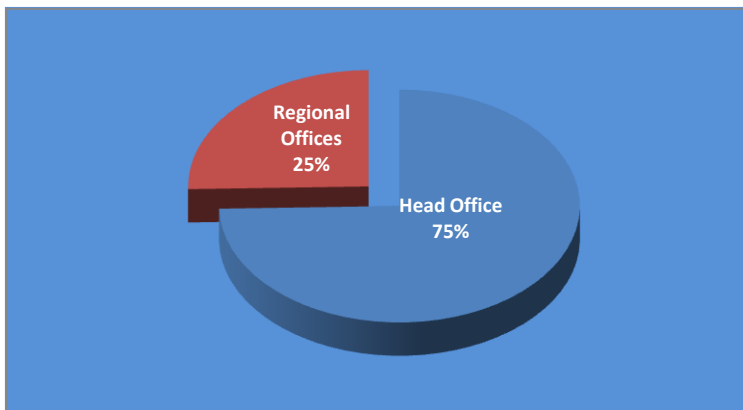
Governance expenditures are related to the World Congress, Executive Board meetings, Regional Conferences and Regional Committee meetings and to other expenditures to be made to meet constitutional obligations (**Figure 3**):

Figure 3 - Governance (2010): € 1,460,900



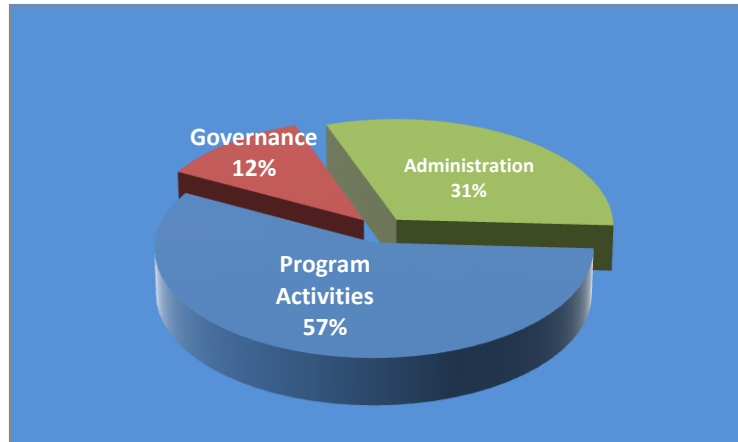
The cost of **Administration** concern the cost of maintaining a head office in Brussels and regional offices in Accra (Ghana), Kuala Lumpur (Malaysia); and San Jose (Costa Rica); and sub-regional offices in Castries (St Lucia), Beirut (Lebanon) and in Suva (Fiji). (**Figure 4**):

Figure 4 - Administration (2010): € 1,756,167



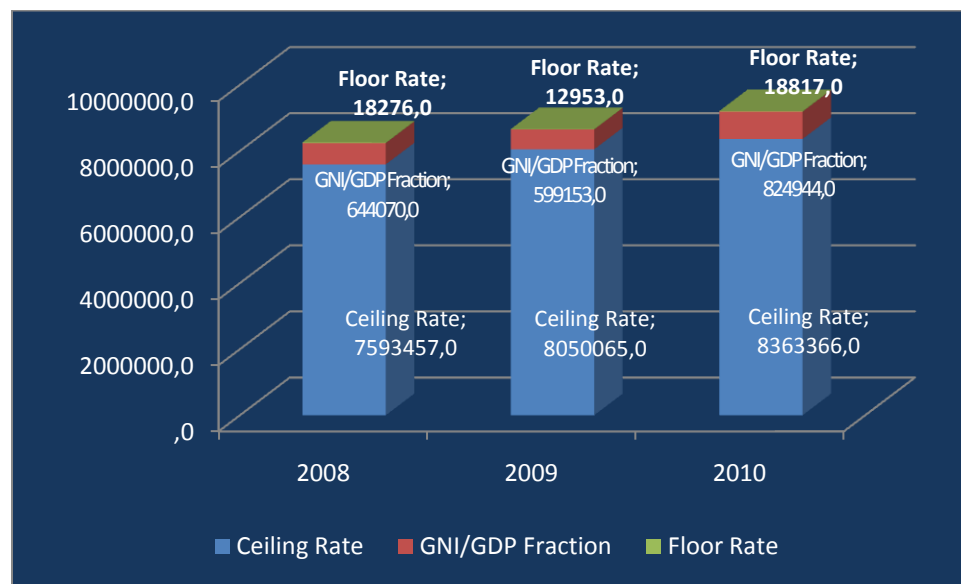
Salaries and services (personnel costs) are distributed over the three main budget groups, Program Activities, Governance and Administration. The total amount shown in **Figure 5** does not include the personnel costs for the European Region which are covered by a regional budget:

Figure 5 - Salaries and Services (2010): € 4,773,617



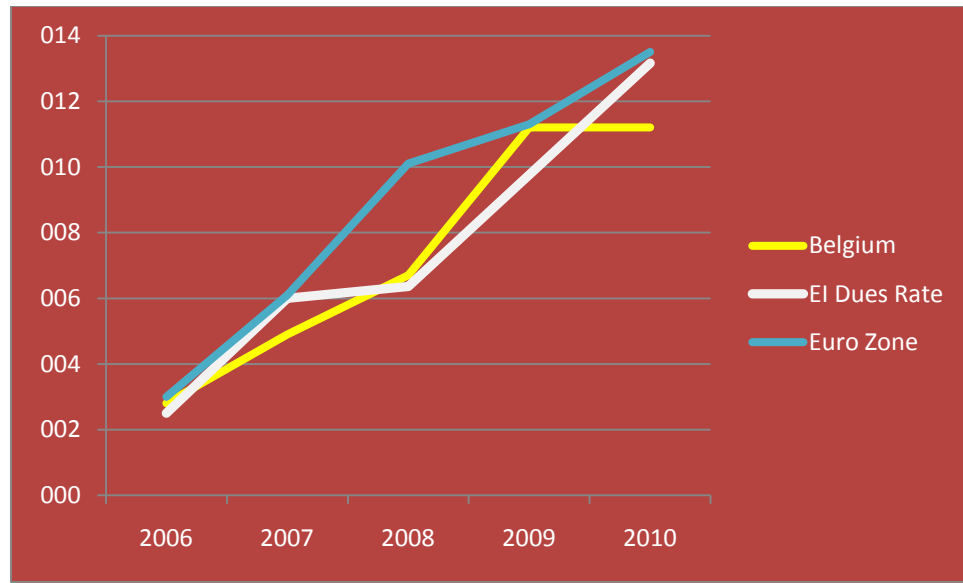
In the period 2008-2010 the **dues income** increased from € 8,255,803 to € 9,207,127¹ in 2010 (11%). **Figure 6** shows the amounts paid on the basis of the ceiling rate, the GNI/GDP of countries of member organizations and the floor rate. The increases of the per capita membership dues rate prevented loss of "purchasing power" due to inflation, unfavorable currency fluctuations and general price increases. **Figure 7** shows the increase of dues rates in the period 2006-2010 in comparison with inflation in Belgium and the Euro Zone.

Figure 6 - Dues Income 2008-2010



¹ The expenditures in 2008, 2009, 2010 were covered by dues income as well as other income, which included bank interest, sub-let and subsidies (See Financial Reports 2007-2010).

Figure 7 - Inflation compared to Dues Rates 2006 - 2010



3.2. Developing a budget for 2012-2015

3.2.1. Program Activities

The programs 1-31 outlined above under sub-heading 2.2. are distributed over six areas, directly related to the Principal Aims: **Education & Employment** (Programs 1-10), **Human and Trade Union Rights & Equality** (Programs 11-18), **Information & Communication** (Programs 19-21), **Solidarity & Development** (Programs 22-27), **Research** (Programs 28-30), and **Other Programs** (31).

The main tools for the implementation of these programs, which have a global and a regional component, are *Advocacy* (representation and consultation with international agencies), *Assistance* (legal support, solidarity assistance, grants to member organizations), *Information* (reports, bulletins, brochures, magazine, databases), *Research* (surveys, data analyses, reports, commissioned research) and *Capacity Building* (Trade union training and other assistance programs).

The program activities budgets also cover expenditure related to **Campaigns**, (Hands Up for Public Education, Global Campaign for Education, World Teachers' Day, Quality Public Services, Climate Change); the convening of **International Conferences** (such as the Higher Education and Research Conference, a second EI Women's Conference "On the Move for Equality", Young Teachers and Learners); and **Taskforces, Advisory Committees and Networks**.

An estimated amount of **€ 1,620,000** (2012) would be required to carry out the **programs 1-31**. This amount is increased by 1% in 2013, 2014 and 2015 (**Table Two**):

Table Two: Program Activities (1-31)	2012	2013	2014	2015
Education and Employment (Pr. 1-10)	420,000	424,200	428,442	432,726
Human/Trade Union Rights & Equality (Pr. 11-18)	290,000	292,900	295,829	298,787
Information and Communication (Pr. 19-21)	270,000	272,700	275,427	278,181
Solidarity and Development (Pr. 22-27)	440,000	444,400	448,844	453,332
Research (Pr. 28-30)	120,000	121,200	122,412	123,636
Other Programs (Pr. 31)	80,000	80,000	80,000	80,000
Total	1,620,000	1,635,400	1,650,954	1,666,664

3.2.2. Governance

In 2012 an amount of **€ 1,390,000** will be required to carry out **program 32**, mainly concerning global and regional statutory meetings which are to be convened regularly. The main spending items are meeting costs, simultaneous translation services and travel grants. Annual provisions are made for the World Congress in 2015, the cost of which is estimated at € 2,030,000; for regional conferences and committee meetings in Africa, Asia Pacific and Latin America, the total cost over a four year period is estimated at € 1,275,000; and for conferences in the North American/Caribbean region. Furthermore, annual grants are projected for SAARC, COPE and CUT.

The cost of 6 Executive Board and 6 Officers meetings in the period 2012-2015 is estimated at € 850,000. Annual provisions are made to cover those costs. The estimated costs of meetings and missions of the Committee of Experts and of the newly established Auditing Committee (4 meetings in the period 2012-2015) are, respectively, € 126,000 and € 86,000. Annual provisions are made to cover those costs.

The Governance budget also provides for missions and representations (€260,000) and President's expenses (€25,000). The latter amounts are increased by 1% in 2013, 2014 and 2015 (**Table Three**):

Table Three: Governance (32)	2012	2013	2014	2015
Global Bodies				
World Congress	500,000	505,000	510,000	515,000
Executive Board and Officers	205,000	210,000	215,000	220,000
President's Expenses	25,000	25,250	25,503	25,758
Committee of Experts	30,000	31,000	32,000	33,000
Auditing Committee	20,000	21,000	22,000	23,000
Sub Total	780,000	792,250	804,503	816,758
(Sub) Regional Bodies				
Conference & Committee Africa (EIRAF)	270,000	300,000	330,000	375,000
Conference & Comm. Asia-Pacific (EIAP)				
Conference & Comm. Latin America (IEIAL)				
Conference North-America/Caribbean	30,000	31,000	32,000	33,000
SAARC (STF))				
Pacific (COPE)	50,000	50,000	50,000	50,000
Caribbean (CUT)				
Sub Total	350,000	381,000	412,000	458,000
Other				
Missions and Representations	260,000	262,600	265,226	267,878
Sub Total	260,000	262,600	265,226	267,878
Total	1,390,000	1,435,850	1,481,729	1,542,636

3.2.3. Administration

The cost of maintaining the Head Office in Brussels mounts to **€ 1,268,000**, including rent and upkeep, furniture and equipment, communication costs, insurance cost and legal expenses. For the cost of the regional offices in Accra (Ghana), Kuala Lumpur (Malaysia); and San Jose (Costa Rica); and sub-regional offices in Castries (St Lucia) and in Suva (Fiji) an amount of €500,000 is projected. The amounts are increased by 1% in 2013, 2014 and 2015. The Administration budget also provides for a contribution to a contingency fund of 1% of the dues income (€95,000) (**Table Four**):

Table Four: Administration (33)	2012	2013	2014	2015
Head Office				
Rent & upkeep	486,060	490,920	495,829	500,788
Furniture & equipment	307,289	310,362	313,466	316,600
Other office expenditure	283,520	286,355	289,219	292,111
Communication costs	167,819	169,497	171,192	172,904
Insurance costs	23,312	23,545	23,781	24,019
Sub Total	1,268,000	1,280,680	1,293,487	1,306,422
Regional Offices				
Accra, Ghana	180,000	181,800	183,618	185,454
Kuala Lumpur, Malaysia; Suva, Fiji	135,000	136,350	137,714	139,091
San Jose, Costa Rica	135,000	136,350	137,714	139,091
Castries, St. Lucia	50,000	50,500	51,005	51,515
Sub Total	500,000	505,000	510,050	515,151
Contingency Fund (1%)				
Sub Total	95,000	96,900	98,838	100,815
Total	1,863,000	1,882,580	1,902,375	1,922,387

3.2.4. Salaries and Services

The personnel costs (“Salaries and services”) are “spread” over the program activities, governance, and administration, reflecting the staff time needed for the implementation of these programs, as shown in **Table Five** below:

Table Five: Personnel Cost by Program	2012	2013	2014	2015
Program Activities				
Education and Employment	579,877	592,858	606,129	619,697
Human/Trade Union Rights & Equality	523,567	535,287	547,269	559,520
Information and Communication	550,699	563,026	575,630	588,515
Solidarity and Development	875,279	894,872	914,904	935,384
Research	263,443	269,340	275,369	281,533
Sub Total	2,792,865	2,855,383	2,919,301	2,984,649
Governance	418,975	428,354	437,942	447,746
Administration	1,414,647	1,446,315	1,478,693	1,511,795
Total	4,626,487	4,730,053	4,835,936	4,944,190

Salary costs are a major element of expenditure. In Belgium, where EI’s head Office is located, these costs increase automatically by 2% each time inflation reaches 2% and remains at that level for two months. In addition salaries are paid on the basis of incremental scales and, therefore, increase annually by about 3.5% for those who are on the lower points of the scales. The projected impact on personnel costs is likely to be an increase of approximately 3% per annum.

Table Six: Inflation Rates in Belgium 2006-2010	
Year	Inflation Rate (consumer prices)
2006	2.80 %
2007	2.10 %
2008	1.80 %
2009	4.50 %
2010	0%

In the event that, as a result of mandatory salary increases, salary costs will exceed the budgeted amounts, saving measures will be inevitable, which may include an adjustment of the number of staff positions. However, such developments are not anticipated. The total amount to be projected for personnel costs in 2012 is: **€ 4,626,487**. The projected personnel cost in 2013, 2014 and 2015 will amount, respectively, € 4,730,053, € 4,835,936 and €4,944,190.

Increases in costs are often difficult to predict. The impact of the financial crisis has been felt in different ways throughout the globe. It has led to volatility in consumer prices and in currency exchange rates. It is likely that transportation and communication costs will continue to rise significantly. Therefore, the projected increase of expenditures in the budgets presented in the previous paragraphs are not likely to fully cover the actual price increases. While for most activities an annual increase has been projected of 1 %, the increase of personnel costs has been set at 2.22385 % per annum.

Steps have been taken to reduce and control costs in recent years and steps will continue to be taken to offset rising costs, especially by the increased use of technology and the internet, allowing for a reduction in travel, communication cost and print. Furthermore, extra efforts will be made to ensure that all member organizations meet their financial obligations.

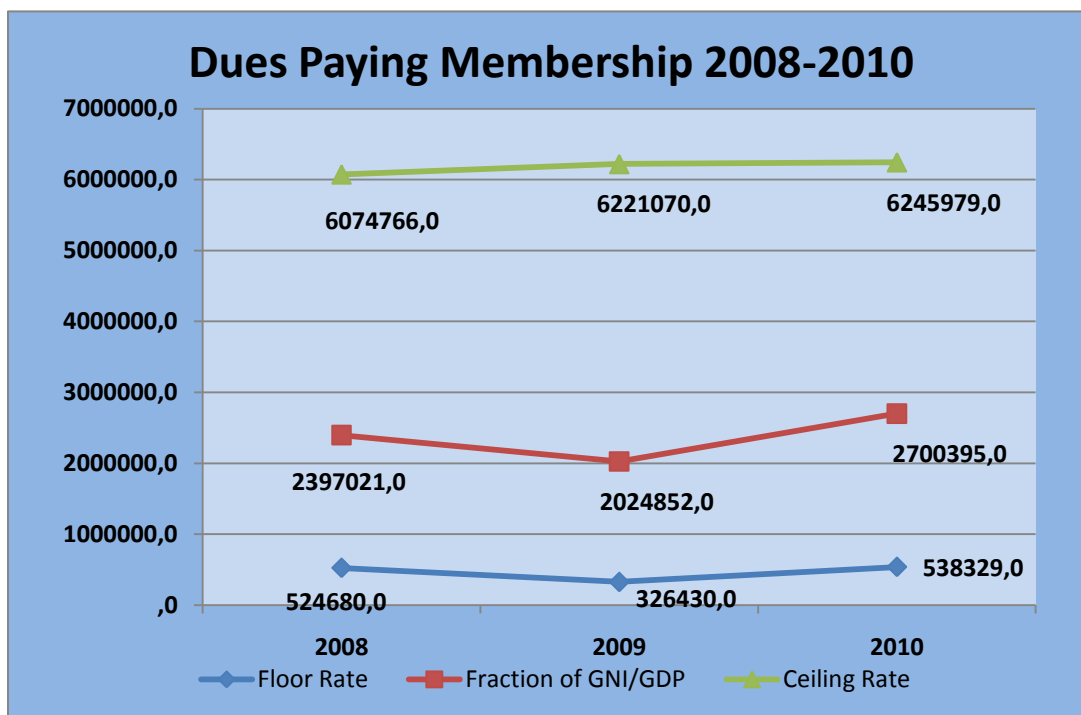
3.2.5. Projected Income

Income in the past has been boosted by receipts from **bank interest** and gains from **currency exchange**. However, since the onset of the financial crisis such income has largely disappeared.

The income for the projects funded through **extra-budgetary grants** is the subject of contractual arrangements which specify the amounts which will be provided in each year. Income for the solidarity fund is supplemented by grants from some member organizations on an annual basis or in response to specific appeals.

EI's income, therefore, is obtained almost exclusively from **dues payments**. Although the membership of EI is still growing, most of the new organizations are from low income countries and they, therefore, are unable to contribute significant sums to the income of EI. In addition such organizations frequently place increased demands on expenditure since they require subsidies to participate in EI activities. The membership of some organizations in the countries from which members are required to pay dues at the ceiling rate is reducing as a result of reductions in the school-going populations of those countries, which will have the effect of reducing the anticipated income of EI. **Figure 8** shows a modest growth of member organizations paying a fraction of the GNI/GDP of their countries and those paying at the floor rate. Expectations are that the organizations paying at the ceiling level will decline in 2011 by approximately 100,000.

Figure 8



The income required for the implementation of the proposed Program and Budget (not including extra-budgetary and solidarity fund projects) is estimated at **€ 9,499,487** in 2012, **€ 9,683,883** in 2013, **€ 9,870,993** in 2014 and **€ 10,075,876** in 2015.

3.2.6. Membership Dues Rates

Based on the expected membership for which in 2011 dues are paid at the ceiling level (6,150,000) an increase of 2% of the ceiling dues rate in 2012 would be required. Additional increases of 2% in 2013, 2014, and 2015 may also be required, unless:

- inflation rates are lower than projected;
- favourable currency fluctuations allow for a reduction of projected expenditures outside the Euro zone;
- a growth in membership is achieved generating the required funds

This level of dues increase on its own is unlikely to maintain the current value of income in the face of rising costs and inflation. In the current economic climate it is the minimum necessary, when taken together with stringent financial controls on expenditure, to maintain services and achieve Program objectives. The Executive Board will monitor carefully income and expenditure during the period covered by the Program and Budget and make any necessary adjustments.

In light of the above the Executive Board proposes

- **an increase of the ceiling per capita fee of 2% for 2012 and to review the need for further increases of maximum 2% for each of the following years on the basis of the financial information available in the autumn of each preceding year.**

For 2012 no increase of the floor rate is proposed, while the GNI/GDP Fraction will remain unchanged.

4. Proposals

4.1. GENERAL BUDGET 2012 - 2015

Income

	2012	2013	2014	2015
Membership Dues				
Per Capita Floor Rate: 0.035				
GNI/GDP Fraction: 2012: 1/12445				
Per Capita Ceiling Rate: 2012 : € 1.413				
Sub Total	9,500,000	9,690,000	9,883,800	10,081,476
Other Income				
Sub Total	0	0	0	0
GRAND TOTAL	9,500,000	9,690,000	9,883,800	10,081,476

Expenditure

Programs	2012	2013	2014	2015
Program Activities (Program 1-31)				
<i>Education and Employment (Program 1-10)</i>				
Activities	420,000	424,200	428,442	432,726
Salaries and Services	579,877	592,858	606,129	619,697
Sub Total	999,877	1,017,058	1,034,571	1,052,423
<i>Human and Trade Union Rights and Equality (Program 11-18)</i>				
Activities	290,000	292,900	295,829	298,787
Salaries and Services	523,567	535,287	547,269	559,520
Sub Total	813,567	828,187	843,098	858,307
<i>Information & Communication (Program 19-21)</i>				
Activities	270,000	272,700	275,427	278,181
Salaries and Services	550,699	563,026	575,630	588,515
Sub Total	820,699	835,726	851,057	866,696
<i>Solidarity & Development (Program 22-27)</i>				
Activities	440,000	444,400	448,844	453,332
Salaries and Services	392,438	401,223	410,204	419,387
Salaries and Services Regional Staff	482,841	493,649	504,700	515,997
Sub Total	1,315,279	1,339,272	1,363,748	1,388,716
<i>Research (Program 28-30)</i>				
Activities	120,000	121,200	122,412	123,636
Salaries and Services	263,443	269,340	275,369	281,533
Sub Total	383,443	390,540	397,781	405,169
<i>Other programs (31)</i>				



Contribution to Council of Global Unions	60,000	60,000	60,000	60,000
M. Futrell Scholarships	20,000	20,000	20,000	20,000
Sub Total	80,000	80,000	80,000	80,000
Total Program Activities	4,412,865	4,490,783	4,570,255	4,651,312

Governance (Program 32)				
Global Bodies				
World Congress 2015	500,000	505,000	510,000	515,000
Executive Board and Officers Meetings	205,000	210,000	215,000	220,000
President's special expenses	25,000	25,250	25,503	25,758
Committee of Experts	30,000	31,000	32,000	33,000
Auditing Committee	20,000	21,000	22,000	23,000
Sub Total	780,000	792,250	804,503	816,758
Regional, Sub-Regional and Other Bodies				
Regional Conferences and Committee Africa				
Regional Conferences and Committee Asia-Pacific	270,000	300,000	330,000	375,000
Regional Conferences and Committee Latin America				
North America and Caribbean	30,000	31,000	32,000	33,000
South Asia (STF)				
Pacific (COPE)	50,000	50,000	50,000	50,000
Caribbean (CUT)				
Sub Total	350,000	381,000	412,000	458,000
Other Governance Expenditures				
Missions and consultations	260,000	262,600	265,226	267,878
Sub Total	260,000	262,600	265,226	267,878
Salaries and Services Governance				
Salaries and Services	298,265	304,942	311,768	318,747
Salaries and Services Regional Staff	120,710	123,412	126,175	128,999
Sub Total	418,975	428,354	437,942	447,746
Total Governance	1,808,975	1,864,204	1,919,671	1,990,382

Administration (Program 33)				
Head Office				
Rent & upkeep	486,060	490,920	495,829	500,788
Furniture & equipment	307,289	310,362	313,466	316,600
Other office expenditure	283,520	286,355	289,219	292,111
Communication costs	167,819	169,497	171,192	172,904
Insurance costs	23,312	23,545	23,781	24,019
Sub Total	1,268,000	1,280,680	1,293,487	1,306,422
Regional Offices				
Accra, Ghana	180,000	181,800	183,618	185,454
Kuala Lumpur, Malaysia; Suva, Fiji	135,000	136,350	137,714	139,091

San Jose, Costa Rica	135,000	136,350	137,714	139,091
St. Lucia	50,000	50,500	51,005	51,515
Sub Total	500,000	505,000	510,050	515,151
Other				
Contingency provision (1%)	95,000	96,900	98,838	100,815
Sub Total	95,000	96,900	98,838	100,815
Sub Total	1,863,000	1,882,580	1,902,375	1,922,387
Salaries and Services Administration				
Salaries and Services	1,145,734	1,171,382	1,197,605	1,224,415
Salaries and Services Regional Staff	213,913	218,702	223,598	228,603
Training, miscellaneous staff costs	55,000	56,231	57,490	58,777
Sub Total	1,414,647	1,446,315	1,478,693	1,511,795
Total Administration	3,277,647	3,328,895	3,381,068	3,434,182

GRAND TOTAL	9,499,487	9,683,883	9,870,993	10,075,876
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Excess of Income	513	6,117	12,807	5,600
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4.2. PROPOSALS IN RELATION TO THE EI DUES RATE for 2012 – 2015

1. 2012

The ceiling dues rate for the year 2012 may be increased by **2%** (€ 1.413)

2. 2013/2014/2015

The maximum by which all EI dues rates may be increased in each of the years 2013, 2014 and 2015 is 2%.

The Executive Board is hereby authorized to determine in advance of each year whether or not an increase in dues of up to 2% is required for any of the years 2013, 2014 or 2015.

Proposals submitted to the 6th World Congress by the Executive Board