

FIRST COMMITTEE: EMPLOYMENT AND ECONOMIC ACTIVITY

SUMMARY RECORD OF THE NINTH MEETING

Held at the Capitol, Havana, Cuba,
Saturday, 20 December 1947 at 10.30 a.m.

Chairman: Mr. J. J. DEIDMAN (Australia)

1. CONSIDERATION OF PARAGRAPHS 2 AND 3 OF THE ARTICLE ON "FAIR LABOUR STANDARDS" (documents E/CONF.2/C.1/9 and 12)

Paragraph 2 was adopted without comment.

Paragraph 3

Mr. TAIT (International Labour Organization), introducing the amendment suggested by the Director-General of the ITO, said that it was not a change of substance but would help to express the opinion of the Committee more clearly. There were two aspects relating to the problem of labour standards - the trade aspect and the labour aspect. The ILO would not intervene in connection with the trade aspect, but felt that, so far as the labour aspect was concerned, it was the competent specialized agency in that field.

Mr. PIERSON (United States of America) said his delegation would have no objection to the adoption of the amendment moved by the ILO but suggested that the words "act in co-operation" in the last line be replaced by the words "consult and co-operate". That change was suggested in order to avoid any possible misconception to the effect that the ITO could not act on trade aspects without obtaining the agreement of the ILO.

Mr. SASIRO MOELJONO (Netherlands) associated himself with those delegations which supported the ILO amendment. He considered the word "co-operation" preferable to the word "consultation".

Mr. TAIT (International Labour Office), having accepted the amendment suggested by the representative of the United States of America, the Committee approved the text of paragraph 3.

Mr. LIEU (China), Mr. SHACKLE (United Kingdom) and Mr. BENDA (Czechoslovakia), referring to paragraph 1, suggested that the word "inter-governmental" should replace the word "international".

/The Committee

The Committee decided that the word "international" in the first sentence of paragraph 1 should be replaced by the word "inter-governmental".

The Article on fair labour standards was approved.

2. CONSIDERATION OF REPORT OF SUB-COMMITTEE B ON OTHER ARTICLES OF CHAPTER II (documents E/CONF.2/C.1/10 and 13)

Mr. ROYER (France), Chairman of Sub-Committee B, introduced the report of that Sub-Committee, and drew attention to the provisional reservations by the delegations of Italy, Mexico and Peru. The Sub-Committee suggested that the Article on fair labour standards should be placed at the end of Chapter II. The amendments submitted by the delegation of Norway had received careful consideration in the Sub-Committee, and it had been decided that the question raised might best be considered in connection with other parts of the Charter. The words "inter-governmental organizations" in paragraph 2 of Article 2 might, he felt, be changed to read "specialized agencies" now that the International Bank for Reconstruction and Development and the International Monetary Fund were both specialized agencies. The Central Drafting Committee might consider this drafting point.

Mr. MONGE (Peru), referred to the amendment submitted by his delegation (document E/CONF.2/C.1/7/Corr.1). While he recognized that Chapter VI was concerned with commodity problems he would emphasize that the concern in that Chapter was only with such problems after they had developed on a wide scale. The amendment proposed by his delegation, on the other hand, was concerned with precautionary measures to prevent the difficulties of one or two countries from spreading and threatening the entire international equilibrium. It was one thing, he thought, to solve existing problems which have upset a certain balance but quite another thing to deal with a situation which is developing with a view to preventing the spreading of the maladjustment. His amendment was concerned with the latter. He regretted that the full significance of his proposal appeared not to have been appreciated. However, as the Sub-Committee had decided not to recommend the inclusion of any provision on this subject in Chapter II, the Peruvian delegation withdrew its amendment.

Article 2

Mr. SHACKLE (United Kingdom) pointed out that the last word in the title of Article 2 should read "Charter" and not "Chapter".

Article 2 as a whole was approved.

Article 3 - paragraph 1

Mr. AMADOR (Mexico) referred to the explanations given by the representative of Mexico when he first submitted the proposal that a new paragraph should be added to Article 3, laying down measures to be taken to

/secure fair

secure fair treatment for workers who migrate legally and to prevent illegal immigration which might prove prejudicial to the economic and social interests of the country from which the workers were proceeding. His delegation considered that matter of great importance, and he emphasized the necessity of having such a paragraph in the Charter in order to enable nations to maintain full and productive employment. Illegal immigration presented a problem also for the country which the immigrant entered, and employers in that country should be penalized for giving work to such immigrants.

Mr. NASH (New Zealand) supported the remarks of the representative of Mexico. He pointed out, however, that there might be difficulty in having such a paragraph in the Charter as the problem affected only two or three countries. He considered the matter could be solved by organizations of workers in the receiving country and in the home country taking steps to stop their fellow workers being exploited. It would be difficult to prevent immigration of workers who felt they might thereby improve their standard of living.

Referring to Article 3 in general, he considered it to be one of the most important in the Charter. Each member of the ITO would have the double responsibility, in giving effect to that Article, not only of ensuring productive employment but also of ensuring a wiser and more equitable distribution of goods already produced or to be produced.

Mr. ROYER (France) assured the Mexican delegation that a great deal of interest and importance was attached to the issue which it wished inserted in the Charter. As the problem concerned only a few countries, however, it would not appear feasible to ask Member States before they ratified the Charter to alter their legislation in order to solve such a problem. He suggested that the necessary powers should be given to the Organization to study the matter and make recommendations, and that any countries which considered that the present situation was harmful to their interests, and prevented them from carrying out the provisions of Chapter II, had the right under Articles 89 and 90 to appeal to other Members and to the ITO.

Mr. LEROY (Haiti) emphasized the importance of the problem of clandestine immigration and the need to include some reference to it in the Charter. He supported the proposal of the Mexican representative.

Mr. AMADOR (Mexico) welcomed the remarks which had been made by the New Zealand, French and Haitian representatives. His delegation did not

/insist on a

insist on a particular form of words nor on a particular place in the Charter, but requested recognition of the fact that the problem did exist and directly affected the question of full employment.

The Mexican delegation hoped that even if Article 3 was adopted as it now read, its proposal would receive careful consideration. The representative of France had drawn attention to Article 89, but his delegation felt that the provisions of that Article should be applied only infrequently.

Mr. AMADOR again reserved the right to bring up his proposal at a later date in the First Committee or in a Plenary Session of the Conference.

It was suggested by the Chairman that the Mexican proposal might be regarded as related to the Italian amendment of Article 5 and to the proposed Resolution on Employment.

In reply to the representative of Turkey, Mr. SHACKLE (United Kingdom) expressed the view that a member state could raise tariffs in an effort to promote full employment, in cases where the rate was not bound. Measures to promote full employment in one country would be bound to have some adverse effect on the economies of other countries. It was desirable, however, to lay down the general principle that unemployment problems should not be transferred from one country to another.

Mr. LIMA (El Salvador) felt that the Mexican representative had called attention to a gap in Article 3 and therefore supported his proposal that international population movements should be carefully studied.

Mr. ROYER (France) referred the Turkish representative to the provisions of Article 1, in which it was clearly stated that the question of full employment had a prominent place. As the representative of the United Kingdom had pointed out, Article 17 did not oblige member states to reduce all tariffs. Migratory movements were an aspect of the question of full employment and in that respect the provisions of Article 89 should apply.

Article 3 was adopted without change.

Article 4

It was agreed that this Article should be transferred to the end of Chapter II to become Article 7.

New Article 4.

This Article was adopted as read.

New Article 5.

Mr. MARCELETTI (Italy) drew attention to the amendment which had been forwarded by his delegation (document E/CONF.2/C.1/13). The original Italian amendment had been rejected by the Sub-Committee, but he reserved his right to introduce a concrete recommendation concerning international

/migration movements

migration movements in connection with the resolution on employment

His country and others, were greatly concerned with migration problems and he was convinced that the Organization would be forced to deal with the question if international trade was to remain on a stable basis.

The new Italian amendment did not meet the views of his delegation completely but would give a certain amount of satisfaction.

The introductory words of Article 5 were approved by the Committee.

In reply to the representative of Turkey, the United Kingdom and French representatives pointed out that the inclusion of both Article 5 (1) (a) and Article 69 had been deliberate. Article 69 dealt with functions which the ITO itself might perform whereas Article 5 referred to subjects within the competence of the Economic and Social Council and other Specialized Agencies and not exclusively or initially the concern of ITO. The attention of the Central Drafting Committee might be drawn to the need of avoiding overlapping between Articles 69 and 5.

Paragraphs 1 (a) and (b) were approved by the Committee.

The representatives of Greece, the United States, Mexico and India supported the insertion of the Italian amendment. Mr. PIERSON (United States of America) stressed the fact that his delegation would have been unable to accept any provision which overlooked the fact that migration questions were primarily the concern of individual states. It also would have been opposed to any text which assigned to ITO a large share of the responsibility for dealing with the inter-relation of migration and employment problems.

The representatives of Cuba, Czechoslovakia, Norway, Burma and the United Kingdom did not feel that the Italian amendment would serve any useful purpose. Mr. SKAUG (Norway) was sorry that the Italian representative had withdrawn his original amendment, which had underlined the importance of migration movements in the maintenance of full employment. The present amendment was valueless unless it meant that the work of other bodies was to be duplicated.

In support of the remarks of the Czechoslovak representative, Mr. SEACKLE (United Kingdom) proposed the insertion of the phrase "insofar as relevant to the purpose of the organization" after the word "studies" in the Italian amendment.

The Italian amendment, as amended by the United Kingdom representative, was approved by the Committee.

Paragraph 2 of Article 5 was approved by the Committee.

/New Article 6

New Article 6

In reply to the representative of Sweden, the CHAIRMAN explained that at a previous meeting when attention had been drawn to the proposal no delegation had offered to sponsor the proposal of the International Chamber of Commerce to delete this Article (E/CONF.2/C.1/SR.7).

Mr. SKAUG (Norway) recalled that the Norwegian proposals concerning price stabilization and the prevention of inflationary developments had been supported in principle by several delegations. It had been decided in the Sub-Committee, however, that they more appropriately applied to Articles 18, 20, 25-29 and 43, than to the provisions of Chapter II.

Mr. SKAUG again reserved the right to introduce his proposals in the First Committee, should no satisfactory results be achieved under other Articles.

The CHAIRMAN announced that the Committee had completed its consideration of Chapter II and that the approved text would be referred to the Central Drafting Committee.

It was agreed that the Chairman would nominate a Sub-Committee to consider the text of a resolution on employment and to report to the full Committee.

The meeting rose at 1.35 p.m.
