

FIRST COMMITTEE: EMPLOYMENT AND ECONOMIC ACTIVITY

SUMMARY RECORD OF THE THIRD MEETING

Held at the Capitolio, Havana, Cuba on Tuesday 2 December 1947 at 4.00 p.m.

Chairman: Mr. DEDMAN (Australia)

GENERAL DISCUSSION ON CHAPTER II OF THE DRAFT CHARTER

Mr. PIERSON (United States of America) pointed out that for some years many countries had recognized the importance of maintaining full employment, not only as a question of domestic policy but because of its effect on foreign trade and on the well-being of other countries.

To Australia should go a large share of the credit for advocating the desirability of full employment in international discussions on trade. The United States Government had taken, and would continue to take, an affirmative position with regard to that question. It had been included among the proposals for the expansion of trade, issued by the United States in 1945, and had formed part of the draft charter submitted by them to the Preparatory Committee in September 1946. The United States had also enacted domestic legislation on the question in the form of the Employment Act of 1946.

It could be agreed that in general the means to full employment were primarily a domestic concern, but that they should be consistent with the other provisions of the Charter including those relating to the reduction of trade barriers.

In London, the Australian and United Kingdom delegations had been instrumental in having included in Chapter II the concept of co-operation in the removal of maladjustments within the balance of payments.

A second substantial addition to the original draft appeared as Article 7, in which by reference to other provisions of the Charter, the need of countries to safeguard their economies against deflationary pressure was recognized.

A third substantial addition concerning fair labour standards, was made during the London and Geneva meetings at the suggestion of the Cuban representative. It was clear that ITO should not duplicate the work of ILO, but that members should take whatever action was feasible to remove

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