



Fifth session  
Agenda item 27

ACTION TO ACHIEVE AND MAINTAIN FULL EMPLOYMENT AND ECONOMIC STABILITY:  
REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

Report of the Second Committee

Rapporteur: Mr. J. VILFAN (Yugoslavia)

1. The General Assembly, at its 285th plenary meeting held on 26 September 1950, decided to place on the agenda of its fifth session the item "Action to achieve and maintain full employment and economic stability: report of the Economic and Social Council", and to allocate it to the Second Committee for consideration and report.
2. In connexion with this item the Second Committee had before it the report of the Economic and Social Council to the fifth session of the General Assembly (A/1345)\* containing a chapter entitled "Full Employment" (chapter III). This chapter gives an account of the activities of the Council in the field of full employment during its tenth and eleventh sessions and describes the action taken by the Council in response to General Assembly resolution 308 (IV) of 25 November 1949 on full employment.
3. The Second Committee considered the item during eight meetings (A/C.2/SR.137-144). The first five meetings were devoted to a general debate in which twenty-nine delegations took part, as well as representatives of the International Labour Organisation and the Food and Agriculture Organization.
4. At the conclusion of the general debate, the Committee had before it the following specific proposals:
  - (a) Full employment (Economic and Social Council resolution 290 (XI)): proposals concerning the Council resolution were contained in part A of a draft resolution submitted by Chile (A/C.2/L.70) and in a draft resolution submitted by Uruguay (A/C.2/L.73).
  - (b) Current world economic situation: a proposal relating to the examination of the world economic situation by the twelfth session

\* See Official Records of the General Assembly, Fifth Session, Supplement No. 3.

of the Economic and Social Council was contained in part B of a draft resolution submitted by Chile (A/C.2/L.70).

- (c) Guides for organization and collection of economic data in under-developed countries: a draft resolution submitted by Cuba (A/C.2/L.71).
- (d) Mechanization and unemployment: a draft resolution submitted by Cuba (A/C.2/L.72).

#### Full employment

5. The proposal contained in part A of the Chilean draft resolution as revised by its sponsor (A/C.2/L.70/Rev.1) noted with satisfaction Economic and Social Council resolution 290 (XI) and invited Governments to comply with its terms and to co-operate with the Secretary-General in carrying out the tasks entrusted to him by that resolution. The draft resolution submitted by Uruguay (A/C.2/L.73) noted the Council resolution, congratulated the Council on the work accomplished and commended to its attention the desirability of continuing its efforts in the field of full employment, particularly with respect to under-developed countries. The Committee considered these proposals at its 142nd and 143rd meetings. After the representative of Chile had orally revised his proposal to take account of the points made in the Uruguayan draft, the representative of Uruguay withdrew his draft resolution. The Committee then considered simultaneously both part A and another Chilean proposal contained in part B of the Chilean draft resolution (see also paragraphs 8 to 11 below, concerning the Committee's action on part B). Several oral amendments were offered to the revised Chilean draft by the representatives of Australia, Belgium, Canada, France, Peru and the United States of America. As a result, a new revision (A/C.2/L.70/Rev.2) of the Chilean draft resolution, sponsored also by Pakistan, Peru and Uruguay, was submitted to the Committee. Previous to voting on this joint draft resolution, the Committee agreed to treat parts A and B as two separate resolutions.

6. At its 143rd meeting, part A of the joint draft resolution was adopted by 37 votes to 5, with 1 abstention. In adopting the resolution, it was the sense of the Committee that the Secretary-General should, in view of the rapidly changing economic conditions in the world, regard himself as authorized to use his discretion with respect to the time period to be covered by the special questionnaire referred to in paragraphs 11 and 13 (b) of Economic and Social Council

resolution 290 (XI) so as not to ask Governments to submit estimates of their balance of international payments for a longer period than they can now reasonably be expected to supply.

7. The Second Committee accordingly recommends to the General Assembly the adoption of resolution A annexed to the present report.

#### Current world economic situation

8. Part B of the draft resolution as revised by Chile (A/C.2/L.70/Rev.1) dealt with the need for discussion by the Economic and Social Council at its twelfth session of current international economic problems in connexion with the Council's examination of the world economic situation, so that the Council might be in a position to make recommendations to Governments and to the General Assembly concerning measures designed to make possible the uninterrupted progress of programmes of economic stability and development. This draft resolution also proposed arrangements for obtaining the views of the members of the Council and of the other Members of the United Nations concerning this matter prior to the opening of the twelfth session of the Council.

9. Part B of the Chilean draft resolution was considered by the Committee simultaneously with part A and the Committee's consideration of the proposal is described in paragraph 5 above.

10. The Committee adopted the draft resolution contained in part B of the joint draft resolution submitted by Chile, Pakistan, Peru and Uruguay (A/C.2/L.70/Rev.2) by 37 votes to none, with 6 abstentions.

11. The Second Committee therefore recommends to the General Assembly the adoption of resolution B annexed to the present report.

#### Guides for organization and collection of economic data in under-developed countries

12. The draft resolution submitted by Cuba in A/C.2/L.71 was considered by the Committee at its 143rd and 144th meetings. The proposal recommended that the Secretary-General, in co-operation with the specialized agencies concerned, should prepare material which would be of help to under-developed countries in organizing and collecting economic data in connexion with Economic and Social Council resolution 290 (XI); it further affirmed that any expenses involved could be charged to the Special Account set up under Economic and Social Council resolution 222 A (IX) relating to technical assistance. An amendment to the resolution

submitted by Pakistan and Peru (A/C.2/L.74) was subsequently withdrawn by its sponsors after a statement by the representative of the Secretary-General that the request regarding the preparation of such material could be carried out provided financial resources were available.

13. An oral amendment by the representative of the United States of America to delete the last operative paragraph of the draft resolution covering the method of financing the work requested of the Secretary-General was adopted by 24 votes to 7, with 15 abstentions. After several oral revisions by the sponsor and an oral amendment by Australia, accepted by the sponsor, the draft resolution, as amended, was adopted unanimously by the Committee.

14. In adopting this resolution the Committee expressed the view that, while it wished to ensure that the work described in the resolution would be carried out, it had deleted the last operative paragraph of the original Cuban draft resolution (A/C.2/L.71) because it did not deem it advisable to make any decision concerning the method by which this work was to be financed.

15. The Second Committee therefore recommends to the General Assembly the adoption of resolution C annexed to the present report.

Mechanization and unemployment in under-developed countries

16. The draft resolution submitted by Cuba (A/C.2/L.72) on mechanization and unemployment in under-developed countries was considered by the Committee at its 144th meeting. After several oral revisions by the sponsor and oral amendments by the representatives of Canada, the United Kingdom and the United States of America all accepted by the sponsor, the draft resolution, as amended, was adopted unanimously.

17. The Second Committee therefore recommends to the General Assembly the adoption of resolution D annexed to the present report.

RESOLUTION A  
FULL EMPLOYMENT

The General Assembly,

Considering that the Economic and Social Council, in its resolution 290 (XI) concerning full employment, has formulated recommendations to Governments designed to strengthen the resistance of their national economies and of the international economic structure against the danger of recession,

Considering that the additional studies which the Secretary-General and the various groups of experts are requested to undertake by that resolution are designed to provide a sound basis for the adoption of national and international measures tending to ensure full employment, both in economically advanced and in under-developed countries,

1. Notes with satisfaction the vigorous action taken by the Economic and Social Council in connexion with full employment;
2. Invites Governments to co-operate with the Secretary-General in carrying out the tasks entrusted to him.

RESOLUTION B

CURRENT WORLD ECONOMIC SITUATION

The General Assembly,

Bearing in mind that, as a result of the international events of the last few months, new economic factors have appeared which may unbalance and dislocate the general economic stability and the economic progress of many countries,

Recognizing that, under Articles 55 and 56 of the Charter, the United Nations is under an obligation to use all the means at its disposal to ensure the steady growth of the world economy and to prevent the emergence of those factors of economic disequilibrium which impair general economic stability and disturb the economic development of the under-developed countries,

1. Requests the Economic and Social Council, when examining the world economic situation during its twelfth session, to pay special attention to changes currently taking place in the international economic situation, with a view to recommending to Governments and to the General Assembly measures designed to make possible the uninterrupted progress of programmes of economic stability and development;

2. Invites all the members of the Economic and Social Council to submit to the twelfth session of the Council their views concerning the way in which the current world situation has affected their economic progress and the prospects of continuing world economic expansion, and, if possible, to communicate these views, through the Secretary-General, to the Council before the opening of its twelfth session;

3. Invites all the other Members of the United Nations similarly to submit their views to the Council, with the object of assisting the Council in its task of recommending measures referred to in paragraph 1 above to the Governments and to the General Assembly.

RESOLUTION C

GUIDES FOR ORGANIZATION AND COLLECTION OF ECONOMIC DATA IN  
UNDER-DEVELOPED COUNTRIES

The General Assembly,

Noting that the Economic and Social Council, in resolution 290 (XI) of 15 August 1950, inter alia,

- (a) Recommended that Governments should furnish the Secretary-General with a wide range of economic and statistical information relating to the implementation of that resolution,
- (b) Stated that "Having regard to the fact that, in some predominantly agricultural countries, figures for unemployment and under-employment may not be easily ascertainable and full employment goals may, if related only to industrial labour, lead to misleading conclusions, and that, consequently, it may not be possible for such countries to implement certain provisions of this resolution",
- (c) Invited the International Labour Organisation to take all feasible further steps towards the practical implementation of the recommendations of the Sixth International Conference of Labour Statisticians, in order to facilitate international comparability of employment and unemployment data, with special reference to their use in the formulation of full employment standards and annual employment goals, policies and programmes,

Being aware that the Economic and Social Council, in part E of the above-mentioned resolution, recommended that the Secretary-General and the specialized agencies should provide, within their capacities, technical assistance to governments, on their request, for the purpose of assisting under-developed countries in this respect.

Recommends that the Secretary-General and the specialized agencies, taking into account the different institutional circumstances in the under-developed countries, prepare material which may serve to guide Governments wishing to make use thereof and which should set forth:

- (a) The types of data considered necessary to provide up-to-date information regarding the level of economic activity, employment, unemployment and under-employment;

/(b) Procedures

- (b) Procedures and methods suitable for obtaining and presenting such data;
- (c) Other suggestions relating to the organization of adequate government machinery necessary for obtaining the said data.



RESOLUTION D

MECHANIZATION AND UNEMPLOYMENT IN UNDER-DEVELOPED COUNTRIES

The General Assembly,

Having in mind that, at its fourth session, it expressed its belief that "action is needed to overcome unemployment and under-employment such as that arising, particularly in under-developed countries, among large numbers of people engaged in agricultural pursuits; and that, to this end, it is necessary, inter alia, to stimulate the economic development of under-developed countries",\*

Having noted that the group of experts appointed by the Secretary-General under Economic and Social Council resolution 221 E (IX) of 11 August 1949 to report on national and international measures required to achieve and maintain full employment has expressed the view that in the under-developed countries a large part of the population could be diverted from agricultural occupations without any decrease in agricultural output, and that "the only remedy for this form of disguised unemployment is economic development, which constitutes the major economic problem of the world"\*\*,

Bearing in mind that the terms of reference of the Sub-Commission on Economic Development, whose functions now fall to the Economic, Employment and Development Commission, include "studying the effects of industrialization and changes of a technological order upon the world economic situation",

Commending the Economic and Social Council for the action it has initiated in paragraph 22 of resolution 290 (XI) on full employment, by which the Secretary-General is requested to appoint a group of experts to prepare, in the light of the current world economic situation and of the requirements of economic development, a report on the national and international measures required to reduce unemployment and under-employment in under-developed countries,

Realizing that the mechanization of production essential for increased productivity may in many cases give rise to unemployment unless additional employment opportunities already exist or are simultaneously created in the economy as a whole,

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\* General Assembly resolution 308 (IV) of 25 November 1949.

\*\* E/1584.

1. Requests the Secretary-General to impress upon the group of experts to be appointed by him under paragraph 22 of Economic and Social Council resolution 290 (XI) the necessity of giving due consideration in the course of their work to
    - (i) Ways and means of preventing any aggravation of the problems of unemployment and under-employment in under-developed countries that may occur as a result of the mechanization of production in certain branches of industry and agriculture;
    - (ii) Measures of social security designed to ensure that there will be no interruption in the income of workers temporarily unemployed through mechanization or technological progress, taking into account the work of the International Labour Organisation in this field;
  2. Requests the Secretary-General and the specialized agencies concerned, in facilitating the work of the above group of experts, to bear in mind the present resolution.
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