

**United Nations**

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UNRESTRICTED

**ECONOMIC  
AND  
SOCIAL COUNCIL**

**CONSEIL  
ECONOMIQUE  
ET SOCIAL**

E/AC.11/3  
18 September 1946

ORIGINAL: ENGLISH

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STATEMENT SUBMITTED BY THE SECRETARIAT AT THE  
REQUEST OF THE AD HOC COMMITTEE

CHRONOLOGICAL SUMMARY OF PREVIOUS DISCUSSIONS AND RESOLUTIONS  
CONCERNING THE TERMS OF REFERENCE OF THE SUB-COMMISSIONS  
OF THE ECONOMIC AND EMPLOYMENT COMMISSION

TABLE OF CONTENTS

	<u>Pages</u>
SECTION I. <u>ACTION TAKEN BY THE ECONOMIC AND SOCIAL COUNCIL</u> (First Session, February 1946)	2
A. Terms of reference of the Commission.	
B. Terms of reference of the Sub-Commissions.	
SECTION II. <u>REPORT OF THE NUCLEAR ECONOMIC AND EMPLOYMENT</u> <u>COMMISSION (May 1946)</u>	2
A. Terms of reference of the Commission.	
B. Terms of reference of the Sub-Commissions.	
SECTION III. <u>ACTION OF THE ECONOMIC AND SOCIAL COUNCIL</u> (Second Session, June 1946)	3
A. Terms of reference of the Commission.	
B. Terms of reference of the Sub-Commissions.	
SECTION IV. <u>DISCUSSION IN THE DRAFTING COMMITTEE ON REPORTS</u> <u>IN THE ECONOMIC FIELD.</u>	5
A. Terms of reference of the Commission.	
B. Terms of reference of the Sub-Commissions.	
SECTION V. <u>ACTION OF THE ECONOMIC AND SOCIAL COUNCIL.</u> (Third Session, 11 September 1946)	5
SECTION VI. <u>AD HOC COMMITTEE OF THE TERMS OF REFERENCE OF</u> <u>THE SUB-COMMISSIONS - 12 September 1946 (10)</u>	6
ANNEX I. Terms of reference of the Commission, full text as adopted.	7 - 8
ANNEX II. Terms of reference of the Sub-Commissions, text as adopted.	9 - 11



## I. ACTION OF THE ECONOMIC AND SOCIAL COUNCIL - FIRST SESSION \*

In its first session, the Economic and Social Council passed a Resolution containing the original Terms of Reference of the Economic and Employment Commission, (See text in Annex I), and Terms of Reference for the Sub-Commissions (See text in Annex II).

The Council also created a nuclear Economic and Employment Commission to advise it on those matters.

## II. REPORT OF THE NUCLEAR "ECONOMIC AND EMPLOYMENT COMMISSION" (11 May 1946) \*\*

The nuclear Economic and Employment Commission submitted a first Report to the Economic and Social Council, in which it suggested several modifications to the Terms of Reference of the Commission and of the Sub-commissions. It should be pointed out here that there is a close relationship between the Terms of Reference of the Economic and Employment Commission and those of its Sub-Commissions, since the Commission's Terms of Reference, in a condensed and more general form, provide a basis for determining the number of its Sub-commissions and defining their functions.

### A. Terms of Reference of the Commission. (See Annex I).

As to the functions of the Commission, the nuclear Commission suggested that the Commission should be a permanent advisory body and that it should be entitled to report the Council on its own initiative. (See text in Annex I).

The nuclear Commission suggested that more stress be laid on the prevention of wide fluctuations in economic activity, whereas the Council had originally laid more stress on the promotion of full employment. It added the words "by international action" in order to show its willingness to have international action taken to prevent or to combat economic instability.

The nuclear Commission also wanted more emphasis to be given to the development of under-developed areas.

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\* Resolution of 16 February 1946, Document E/20. Also reproduced in Journal No 15, page 199.

\*\* Document E/40, 25 May 1946. Also Journal No 15.

B. Terms of Reference of the Sub-Commissions (See Annex II).

The nuclear Commission suggested the creation of 4 sub-commissions, namely:

(a) A Sub-commission on Economic Stability, which is a new name for the Sub-commission on Employment that the Council had decided to establish in its first Session. By changing the title and by a few changes in the wording, the nuclear Commission desired to place greater emphasis on "Economic Stability" than on "full employment". While the Council instructed the Sub-commission to study methods of promoting full employment and to analyze information regarding employment and unemployment, the nuclear Commission suggested that the Sub-commission be instructed to analyze the causes of the fluctuations and to advise the Commission on the methods of promoting full employment and economic stability. (See full text in Annex).

(b) Concerning the Sub-commission on Balances of Payments, the nuclear Commission omitted the word "study" which had been used by the Council, but did not change substantially the text of the Council resolution.

(c) Regarding the Sub-Commission on Economic Development, the nuclear Commission did not change the wording of the Council resolution.

(d) Answering a request of the Council, the nuclear Commission drafted the terms of reference for a Temporary Sub-commission on the Economic Reconstruction of Devastated Areas.

III. ACTION OF THE ECONOMIC AND SOCIAL COUNCIL  
(Second Session) \*

In its second session, the Economic and Social Council examined the Report submitted by the nuclear Economic and Employment Commission and adopted, on 21 June 1946, a Resolution setting forth the Terms of Reference of the Economic and Employment Commission. \*\*

A. Terms of Reference of the Commission (See Annex I).

The Council did not want to state explicitly that the Commission should be the permanent advisory body. It explained that the general objective was to

\* See Summary Record of the 7th, 8th, and 9th meetings of the Economic and Social Council (4 and 5 June in Journals Nos. 23, 24 and 26)

\*\* See Journal No. 29, page 512.



promote higher standards of living.

The Council authorized the Commission to report on its own initiative.

The Council accepted the emphasis on prevention of wide fluctuations by co-ordination of national policies and by international action.

By the drafting of the paragraph concerning reconstruction of devastated areas, the Council indicated its willingness to give real help to various members of the United Nations whose territories have been devastated by the enemy.

Concerning the relationship between the short term problems and long term objectives, the Council decided to apply this formula to all problems to be considered by the Commission.

B. Terms of Reference of the Sub-Commissions. (See Annex II)

The Council did not pass any resolution establishing the terms of reference of the Sub-Commissions. It requested, however, the Drafting Committee on Reports in the Economic Field to consider the matter, and because this Drafting Committee was not able to complete its discussion, the Joint Committee - as an interim measure - made the following decision:\*

"Decision: On the proposal of the Chairman, it was agreed to postpone consideration of the Terms of Reference, and the composition of the various Sub-Commissions recommended, until the next session of the Council:

"It was therefore decided to include in the Draft Resolution, under heading 'Sub-Commissions', the text adopted by the Council at its first session (E/28, paragraphs 5, 6 and 7), rather than the revised text proposed by the nuclear Commission".\*\*

As a result of this decision of the Joint Committee, the Secretariat reproduced in the Journal of the Economic and Social Council No. 29, page 513, the original resolution of the Council (February 1946, quoted in Annex II). This was explained by the Secretariat\*\*\* which pointed out "that it is for the Council to determine whether it wishes to reconsider these Terms of Reference"

As a matter of fact the Drafting Committee had examined the Terms of Reference of the Sub-Commission in its meeting of 17 June 1946, as explained in the following section IV.

\* 20 June 1946 - Joint Committee of the Economic and Social Council. Doc. E/JC/2, page 14.

\*\* Members present at the Joint Committee: Belgium, Canada, Chile, China, Columbia, Cuba, Czechoslovakia, France, Greece, India, Lebanon, Norway, Peru, USSR, Ukraine, United Kingdom, United States, Yugoslavia.

\*\*\*Document E/99, 30 August 1946.

IV. DISCUSSION IN THE DRAFTING COMMITTEE ON REPORTS IN  
THE ECONOMIC FIELD (sometimes called Economic Committee)\*

A. Terms of Reference of the Commission.

The decisions of the Drafting Committee are embodied in the Resolution of the Council 20 June 1946, (see above Section III, A and text in Annex I).

B. Terms of Reference of the Sub-Commissions.

Sub-Commission on Economic Stability:

The Committee voted in favour of amending the title to read  
"Sub-Commission on Employment and Economic Stability".

It also voted the adoption of the following text:

"(a) The Commission is empowered to establish the following Sub-Commissions composed of its own members and other persons chosen by it:

(1) a Sub-Commission on Economic Stability

(1) to study national and international full employment policies and fluctuations in economic activity;

(2) to analyze the causes of these fluctuations and

(3) in consultation with the Sub-Commission on Balances of Payment, and if necessary any other Sub-Commission, to advise the Commission on the most appropriate methods of promoting full employment and economic stability"

No decision was reached on the other Sub-Commissions.

V. ECONOMIC AND SOCIAL COUNCIL - THIRD SESSION.  
(11 September 1946, 2:30 p.m.)\*\*

The Council decided to appoint an ad hoc Committee, to report to the Council on the Terms of Reference of the Sub-Commissions and also to discuss the question of the composition of these Sub-Commissions.

To this ad hoc Committee were referred the proposals of the Chinese Government and of the Government of the United Kingdom.

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\* See Document E/ECON/DC/6, 20 June 1946.

\*\* Verbatim Report, E/P.V./17

VI. AD HOC COMMITTEE OF THE TERMS OF REFERENCE OF THE  
SUB-COMMISSIONS (12 September 1946)\*

The ad hoc Committee consists of the following members:

Yugoslavia, Canada, Chile, China, Czechoslovakia, France, Greece,  
Norway, U.S.S.R., United Kingdom, United States.

In the first meeting (12 September 1946) of the ad hoc Committee, it was agreed that Delegations which wished to prevent amendments to the Terms of Reference of any of the three Sub-Commissions should submit them not later than Tuesday 17 September at noon. The Secretariat would then prepare a new draft on the basis of suggestions received. The Secretariat was directed to prepare a statement summarizing the previous discussions and decisions. In accordance with this instruction the present statement is submitted by the Secretariat.

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\* Summary Record of the first meeting of the Committee on the terms of reference of the Sub-Commissions. E/AC.11/1. 14 Sept. 1946.



## TERMS OF REFERENCE OF THE ECONOMIC AND EMPLOYMENT COMMISSION

ACTION OF THE ECONOMIC AND  
SOCIAL COUNCIL

## FIRST SESSION

(Resolution 16 February 1946 -  
Journal No. 15, page 199)REPORT OF THE NUCLEAR  
ECONOMIC AND EMPLOYMENT COMMISSION

(11 May 1946 - Journal No. 15, page 182)

ACTION OF THE ECONOMIC AND  
SOCIAL COUNCIL

## SECOND SESSION

(21 June 1946 - Journal  
No. 29, page 512)

1. The Economic and Social Council, being charged under the Charter with the responsibility of promoting higher standards of living, full employment conditions of economic and social progress and development and solutions of international economic problems, and requiring advice and assistance to enable it to discharge this responsibility, establishes an Economic and Employment Commission.

2. The Commission shall advise the Economic and Social Council on:

- (a) Economic questions of a general character.
- (b) Economic questions involving concerted study and action by more than one specialized agency or commission of the Council.
- (c) The world economic situation and economic problems requiring immediate attention from time to time.

2. (a) The Commission shall act as the permanent advisory body to the Economic and Social Council on economic questions.

(b) It shall examine such questions as may be submitted to it by the Council and shall on its own initiative report to the Council on problems which, in its opinion, require urgent attention.

(c) It shall make recommendations to the Council with reference to economic questions involving concerted study and/or action by more than one specialized agency or commission of the Council and shall draw the attention of the Council to the probable influence of the policies and activities of other commissions of the Council, the specialized agencies or other international organizations on the issues mentioned in paragraph 3 below.

(a) The Commission shall advise the Economic and Social Council on economic questions in order to promote higher standards of living.

(b) It shall examine such questions as may be submitted to it by the Council and shall on its own initiative report to the Council on problems which, in its opinion, require urgent attention.

(c) It shall make recommendations to the Council with reference to economic questions involving concerted study and (or) action by more than one specialized agency or commission of the Council and in particular shall draw the attention of the Council to the probable influence of the policies and activities of other commissions of the Council, the specialized agencies or other international organizations on the issues mentioned in paragraph (d) below.

N.B. The Secretariat has underlined a few words in order to point out changes in wording from one resolution to another.



TERMS OF REFERENCE OF THE COMMISSION (continued)

ACTION OF THE  
ECONOMIC AND SOCIAL COUNCIL

(FIRST SESSION)

3. In particular it will be the function of the Commission to advise the Council on:

- (a) problems of economic reconstruction of devastated areas and other urgent economic problems arising from the war, including methods of meeting short-term situations most consistently with the requirements of long-term policy;
- (b) the promotion of world-wide full employment, the co-ordination of national full employment policies and the prevention of economic instability;
- (c) problems of economic development including particularly those relating to under-developed areas.

4. The Commission shall make studies and recommendations and provide information and other services at the request of the Economic and Social Council.

REPORT OF THE  
NUCLEAR ECONOMIC AND EMPLOYMENT COMMISSION

3. In particular, it shall be the function of the Commission to advise the Council on:

- (a) the prevention of wide fluctuations in economic activity and the promotion of full employment by the co-ordination of national full employment policies and by international action;
- (b) problems of the reconstruction of devastated areas and other urgent problems arising from the war, with due regard to the need for meeting short-term situations most consistently with the requirements of long-term policy;
- (c) Problems of economic development in less developed areas and of economic expansion in general.

ACTION OF THE  
ECONOMIC AND SOCIAL COUNCIL

(SECOND SESSION)

(d) In particular, it shall be the function of the Commission to advise the Council on:

- (i) the prevention of wide fluctuations in economic activity and the promotion of full employment by the co-ordination of national full employment policies and by international action;
- (ii) problems of the reconstruction of devastated areas and other urgent problems arising from the war, with a view to developing means of giving real help, which is so necessary, to various Members of the United Nations whose territories have been devastated by the enemy as a result of occupation and war activities;
- (iii) the promotion of economic development and progress with special regard to the problems of less developed areas.

In carrying out the functions set forth above, the Commission shall take account of the close relationship between the short-term problems and the long-term objectives of an expanding and integrated world economy.

# ANNEX II

## TERMS OF REFERENCE OF THE SUB-COMMISSIONS OF THE ECONOMIC AND EMPLOYMENT COMMISSION

### ACTION TAKEN BY THE ECONOMIC AND SOCIAL COUNCIL (FIRST SESSION)

### REPORT OF THE ECONOMIC AND EMPLOYMENT COMMISSION

### ACTION TAKEN BY THE DRAFTING COMMITTEE ON ECONOMIC AFFAIRS

(Resolution 16 February 1946, Journal No. 15  
Page 200)

(11 May 1946, Journal No. 15  
Page 183)

(20 June 1946. Document E/ECON/DC/6 pp. 4 and 5,  
E/ECON/DC/5 pp. 2 and 3)

The Commission shall establish the following sub-commissions:

4. The Commission is empowered to establish the following sub-commission, composed of its own members and other persons chosen by it:

The Committee voted in favour of amending the title to read: "Sub-Commission on Employment and Economic Stability". It also voted the adoption of the Following text:

(a) A Sub-Commission on Employment to study national and, in consultation with the Sub-Commissions on Balance of Payments and Economic Development, international methods of promoting full employment and related problems, and to analyse information regarding employment and unemployment in the various countries.

(a) A Sub-commission on Economic Stability,

(i) to study national and international full employment policies and fluctuations on economic activity;

(ii) to analyse the causes of these fluctuations; and

(iii) in consultation with the Sub-commission on Balances of Payments, and if necessary any other sub-commissions, to advise the Commission on the most appropriate methods of promoting full employment and economic stability.

(a) The Commission is empowered to establish the following Sub-Commissions composed of its own members and other persons chosen by it:

(i) A Sub-Commission on Employment and on Economic Stability

(1) to study national and international full employment policies and fluctuations in economic activity;

(2) to analyse the causes of these fluctuations; and

(3) in consultation with the Sub-Commission on Balances of Payments, and if necessary any other Sub-Commission, to advise the Commission on the most appropriate methods of promoting full employment and economic stability.



TERMS OF REFERENCE OF THE SUB-COMMISSIONS  
OF THE ECONOMIC AND EMPLOYMENT COMMISSION (Continued)

ACTION TAKEN BY THE  
ECONOMIC AND SOCIAL COUNCIL  
(FIRST SESSION)

REPORT OF THE  
ECONOMIC AND EMPLOYMENT  
COMMISSION

ACTION TAKEN BY THE  
DRAFTING COMMITTEE ON  
ECONOMIC AFFAIRS

(Resolution 16 Feb. 1946 - Journal No.15,p.200) (11 May 1946 - Journal No.15,p.183)

(b) A Sub-commission on Balance of Payments to study and advise the Commission on balance of payments problems, especially in so far as they require for their solution concerted action by governments or by more than one specialized agency.

(b) A Sub-commission on Balances of Payments to advise, in the closest co-operation with the Sub-commission on Economic stability, the Commission on balance of payments problems, especially those which require for their solution concerted action by governments or by more than one specialized agency.

No decision

(c) A Sub-commission on Economic Development to advise the Commission on the long-term development of production and consumption throughout the world, and, in particular, on:

(c) A Sub-commission on Economic Development, to advise the Commission on the long-term development of production and consumption throughout the world, and in particular, on:

No decision

(i) the methods of increasing production, productivity and levels of consumption in the less-developed regions of the world;

(i) methods of increasing production, productivity and levels of consumption, with special attention to the less-developed regions of the world;

(ii) the effects of industrialization and technological change on world economic conditions, and the adjustments required.

(ii) the effects of industrialization and technological change on world economic conditions, and the adjustments required.

(d) A temporary Sub-commission on Economic Reconstruction of Devastated Areas, to advise the Commission on:

# ANNEX II

## TERMS OF REFERENCE OF SUB-COMMISSIONS (Continued)

ACTION TAKEN BY THE  
ECONOMIC AND SOCIAL COUNCIL

REPORT OF THE  
ECONOMIC AND EMPLOYMENT  
COMMISSION

ACTION TAKEN BY THE  
DRAFTING COMMITTEE ON  
ECONOMIC AFFAIRS

FIRST SESSION

(a)

- (1) the nature and scope of the economic reconstruction problem of those countries which face great and urgent tasks in this field, whether by reason of occupation or physical devastation;
- (11) the progress of reconstruction and the measures of international co-operation by which reconstruction in those countries might be facilitated and accelerated, bearing in mind the probable influence of existing conditions and plans of reconstruction on economic stability, full employment and the establishment of an integrated world economic system.

The Commission may also make recommendations to the Council concerning any other sub-commission which it considers should be established. Not more than three members, not members of the Commission, may be appointed to a sub-commission without the previous approval of the Council.

5. Not more than three persons not members of the Commission may be appointed to a sub-commission without the prior approval of the Council.

6. The Commission may also make recommendations to the Council concerning any other sub-commissions which it considers should be established.