

ECONOMIC AND EMPLOYMENT

COMMISSION

DRAFT REPORT

Session - 20 January to 5 February 1947

ECONOMIC AND EMPLOYMENT COMMISSION

PART I

INTRODUCTION

The first session of the Economic and Employment Commission* was held at Interim Headquarters, Lake Success, New York, from 20 January through 5 February 1947.

The following members of the Commission attended the session:

Australia	Mr. Roland Wilson
Belgium	Mr. Fernand van Langenhove
Brazil	Mr. Jose Nunez Guimaraes
Canada	Mr. Stewart Bates**
Cuba	Mr. Enrique P. Cisneros
France	Mr. Jacques Rueff***
India	Mr. R.K. Nehru
Norway	Mr. Ragnar Frisch
Poland	Mr. Oscar Lange****
Union of Soviet Socialist Republics	Mr. Alexander P. Morozov
United Kingdom:	Mr. R. L. Hall
United States	Mr. Isador Lubin

* To be distinguished from the first session of the Nuclear Economic and Employment Commission held during April-May 1946.

** Resigned after the seventh meeting because of other official duties. Miss D. Burwash participated in the work of the Commission without vote beginning with the eighth meeting. Mr. John Deutsch was nominated by the Canadian Government, in consultation with the Secretary-General, to replace Mr. Bates but was unable to attend this first session.

*** Arrival delayed until seventh meeting.

**** Attended session through the 17th meeting but had to leave for Poland on official duties.

The following members of the Commission were not able to attend the session and were represented by their advisors who participated in the work of the Commission without vote:

China - Mr. Franklin Ho - represented by Mr. T. Y. Wu

Czechoslovakia - Mr. Z. Augenthaler, represented by Mr. L. Radimsky

The following member was not able to attend the session and was not represented:

Byelorussian Soviet Socialist Republic - Mr. S. N. Malinine

Both Mr. Nehru* (India) and Mr. Lange (Poland) were nominated by their respective governments in consultation with the Secretary-General after the last meeting of the Economic and Social Council and participated in the work of the Commission with full rights subject to confirmation by the Economic and Social Council.

The representatives of the following Specialized Agencies participated fully in the work of the Commission in accordance with the terms of the Agreements between these agencies and the United Nations;

International Labour Organization
Food and Agriculture Organization
United Nations Educational, Scientific and Cultural Organization

The International Bank for Reconstruction and Development and the International Monetary Fund were invited to send representatives who participated in the work of the Commission.

The meetings of the Commission were also attended by representatives from the following organizations:

Inter-governmental Organizations:

Emergency Economic Committee for Europe

Non-Governmental Organizations

World Federation of Trade Unions
International Co-operative Alliance
American Federation of Labor
International Chamber of Commerce

* Mr. Nehru was nominated by his government, in consultation with the Secretary-General, to take the place of Mr. J. V. Joshi who resigned.

PART II

RULES OF PROCEDURE

In view of the desirability of having the greatest possible uniformity in the rules of procedure of the different Commissions of the Economic and Social Council, the Economic and Employment Commission provisionally adopted the draft rules of procedure prepared by the Secretariat (Annex II) together with an amendment of Chapter IV providing for Vice-Chairmen, two Vice-Chairmen to serve in rotation in the absence of the Chairman. The Commission adopted the rules with the understanding that it may revise them again at its next session in the light of its own experience and of recommendations of the Secretary-General based on the experience of all Commissions of the Council.

PART III

OFFICERS OF THE ECONOMIC AND EMPLOYMENT COMMISSION

The following members of the Commission were elected unanimously to serve as officers of this Commission:

Mr. Ragnar Frisch	(Norway)	Chairman
Mr. Roland Wilson	(Australia)	Vice-Chairman
Mr. A. P. Morozov	(Union of Soviet Socialist Republics)	Vice-Chairman
Mr. Isedor Lubin	(United States)	Rapporteur

PART IV

AGENDA

The Commission adopted the following Agenda:

1. Opening Remarks by the Assistant Secretary-General for Economic Affairs.
2. Election of Chairman.
3. Statement by the Chairman of the Nuclear Economic and Employment Commission.
4. Adoption of Rules of Procedure.
5. Election of other officers of the Economic and Employment Commission.
6. Adoption of the Provisional Agenda.
7. Consideration of Composition of the Sub-Commission on Economic Development.
8. Consideration of composition of the Sub-Commission on Employment and Economic Stability.
9. Consideration of the Terms of Reference of the Sub-Commission of the Economic and Employment Commission with Respect to Participation of Experts in the Work of the Sub-Commissions.
10. Consideration of Establishment of a Sub-Commission on the Balance of Payments.
11. Consideration of Activities of the Economic and Employment Commission in the Field of Economic Development and of Relation of those Activities to Activities of Specialized Agencies and Various Commissions and Sub-Commissions established by the Economic and Social Council.
12. Consideration of Activities of the Economic and Employment Commission in the Field of Economic Stability and Full Employment and of Relation of these Activities to Activities of Specialized Agencies and Various Commissions and Sub-Commissions established by the Economic and Social Council.
13. Consideration of the Future Work in the Field of Reconstruction of Devastated Areas.
14. Consideration of Surveys of the Economic Development of Less Developed Areas.
15. Consideration of a Survey of Raw Materials Resources Needed for the Economic Reconstruction of Devastated Areas.
16. Consideration of Activities of the Economic and Employment Commission in the Field of Housing.

/17. Consideration

17. Consideration of Effective Ways and Means for Furnishing Technical Advice to Member Nations.
18. Consideration of a Proposal to Establish an International Code Relating to Foreign Investments.
19. The Problem of International Controls and Allocations of Commodities in Short Supply and the Problem of Surplus Commodities in Prospect.
20. Consideration of the Question of Corresponding Members of the Commission.
21. Representation on the Population Commission.
22. Other business.
23. Adoption of a Report of the Economic and Employment Commission to the Economic and Social Council.
24. Date and Place of Next Session of Economic and Employment Commission.

PART V

ADDRESSES BY THE ASSISTANT SECRETARY-GENERAL FOR
ECONOMIC AFFAIRS AND BY THE CHAIRMAN OF THE NUCLEAR
ECONOMIC AND EMPLOYMENT COMMISSION

In welcoming the members of the Economic and Employment Commission, Mr. A. D. H. Owen, Assistant Secretary-General for Economic Affairs, stressed the importance of the several items on the Agenda, the opportunity that the members of the Commission had in becoming acquainted with the work of the Department of Economic Affairs, and the need for co-ordinating the activities of the Commission, its Sub-Commissions and the Specialized Agencies.

The Commission also had the pleasure of having with them for the first few meetings the Chairman of the Nuclear Economic and Employment Commission, Professor W. A. Mackintosh. Professor Mackintosh, in his statement to the Commission, summarized the activities of the Nuclear Commission and reported briefly on the deliberations of the FAO Preparatory Commission on World Food Proposals which he attended on behalf of the Commission in accordance with the resolution adopted on 3 October 1946 by the Economic and Social Council.

PART VI

COMPOSITION OF SUB-COMMISSIONS AND PARTICIPATION OF EXPERTS IN THE WORK OF THE SUB-COMMISSIONS

(Agenda Items Nos. 7, 8 and 9)

In view of the importance of the work of these Sub-Commissions, it was the consensus of the Commission that careful consideration should be given to the qualifications of the individuals to be appointed to the Sub-Commissions on Economic Stability and Full Employment and on Economic Development, and to the principles according to which they would be chosen. It was generally felt that the members of these Sub-Commissions should, whether drawn from the membership of this Commission or from other sources, be qualified experts whose knowledge of their specific fields would enable them to make a definite contribution to the work of the respective Sub-Commissions.

1. It was agreed that definite conclusions as to the principles on which members of the Sub-Commissions should be selected and the selection of individuals to serve as members should be deferred until the next session of this Commission.

2. It was also agreed that each member of this Commission should submit to the Secretariat, for transmittal to the Chairman of this Commission, a list of names of those people who in their judgment had the qualifications necessary for carrying out the work of the Sub-Commissions. It was suggested that these names be made available to the Secretariat by 1 April and that each name should be accompanied by a statement of the experience and qualifications of each individual recommended, as well as by a statement as to the reasons why, in the opinion of the individual member, the persons suggested were best qualified to serve as members of these Sub-Commissions. Although there was no definite limitation on the number of names to be submitted by each member, it was suggested that as many as five should be submitted for each Sub-Commission.

3. It was further agreed that in submitting such names the individual members of this Commission should not be limited to recommending people from their own countries. Indeed, it was considered advisable that recommendations should be based primarily on qualifications irrespective of the country in which the individual happened to live. In submitting names the individual members should take into consideration the fact that the members of the Sub-Commissions might be required to give considerable time at their places of residence to the study and analysis of various documents that would be submitted to them. They might also be expected to make recommendations, by mail and otherwise, relative to matters within the competence of the Sub-Commissions. They might be expected to attend meetings of the Sub-Commissions for periods approximating two or three weeks, perhaps twice a year. Under exceptional circumstances, longer sessions may be needed.

4. With respect to participation and consultation by the inter-governmental agencies and non-governmental organizations, the same practices and procedures shall apply in the work of the Sub-Commissions as in the work of the Economic and Employment Commission with the understanding that the Sub-Commissions may hold executive sessions.

5. Pending the appointment of the members of the Sub-Commissions, it was agreed that the Secretariat should proceed with the collection and analysis of data pertinent to the work of the Sub-Commissions. The data and documents of the Secretariat should be prepared after consultation with the Chairman of the Economic and Employment Commission who will be responsible for advising the Secretariat on all matters within the terms of reference of the two Sub-Commissions. The Chairman will also be responsible for arranging with the Secretariat that such documents as are prepared are communicated to members of this Commission who will be free to make comments and suggestions.

PART VII

RECOMMENDATIONS RELATIVE TO THE ESTABLISHMENT OF A
SUB-COMMISSION ON BALANCE OF PAYMENTS

(Agenda Item No. 10)

1. By Resolution of 1 October 1946, the Economic and Social Council instructed the Economic and Employment Commission "to give further consideration to the question of the establishment and of the terms of reference of a Sub-Commission on Balance of Payments and make an early report to the Economic and Social Council". This instruction resulted from previous discussions by the Council of a proposal for the creation of such a Sub-Commission.
2. The Economic and Employment Commission has accordingly re-examined the question. The Commission considers that it will inevitably have to give close attention to balances of payments since they constitute a significant measure of changes in international economic and financial relations, but that the subject is so broad that the Commission and its already established Sub-Commissions will necessarily have to deal with it. The creation of a Sub-Commission to deal exclusively with balance of payments problems is not considered necessary at the present time.
3. The Economic and Employment Commission therefore RECOMMENDS:
 - (a) That no Sub-Commission on the Balance of Payments be established at present; and
 - (b) That, in order to assist the Commission and its Sub-Commissions in the consideration of the question of balances of payments, the Secretariat make the necessary arrangements for full and regular reports and analyses of balances of payments, in close co-operation with and using to the fullest extent possible the resources of the Specialized Agencies concerned.

PART VIII

RECOMMENDATIONS RELATED TO ECONOMIC DEVELOPMENT

(Agenda Items Nos. 11, 14, 15, 17 and 18)

With regard to the activities of this Commission and its Sub-Commission on Economic Development, the Commission came to the conclusion that it should give joint consideration to Items 11, 14, 15, 17 and 18 on the agenda, because the problems involved in surveys of economic development, surveys of raw material resources, and the furnishing of technical advice to member nations all constituted facets of the general problem of economic development.

The Commission considered the arrangements already made and those contemplated by the Secretariat for the collection and analysis of data and the preparation of reports. The Commission also took into account the specific proposals of the Nuclear Economic and Employment Commission and certain proposals made in connection with the work of the Preparatory Committee of the United Nations Conference on Trade and Employment (London, October 1946). The Commission also had before it the report of the Food and Agriculture Organization's Preparatory Commission on World Food Proposals and heard its Chairman, Viscount Bruce.

The Commission arrived at the following conclusions and recommendations:

A. Observations of the Commission on Activities Related to Economic Development

The concern of the United Nations with problems of economic development of under-developed areas stems from its basic purpose "to promote social progress and better standards of life in larger freedom" (United Nations Charter, Preamble) and from the obligation imposed by Article 55 of the Charter which has as its aim "the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and

/self-determination

self-determination of peoples."

Responsibility for the actual carrying out of development activities rests with the governments and peoples of the countries or areas concerned, who may seek assistance from whatever source they deem expedient. Countries desiring technical assistance should themselves perform as much of the work as possible in advance, including the preparation of preliminary studies in such detail as possible.

The initiative for the making of surveys of resources and of their utilization and for the preparation of concrete plans and programmes for the economic development of any country or area, is in all cases the exclusive prerogative of the governments or peoples of the country or area concerned. In this context the term "survey" does not include a general study based on data already published or made available by the government of the country concerned.

In recognition of the need to create "conditions of stability and well being which are necessary for peaceful and friendly relations among nations", all members of the United Nations have, however, pledged themselves "to take joint and separate action in co-operation with the Organization" for the achievement inter alia of "higher standards of living, full employment, and conditions of economic and social progress and development" (Articles 55 and 56 of United Nations Charter).

On the authority of the Charter alone, therefore, and apart from any obligations which have been or may be assumed under any other inter-governmental agreement, members of the Organization are solemnly pledged to exercise the initiative which is within their own competence. In this connection, it is noted that Article 62 of the Charter provides that the Economic and Social Council may make recommendations to the General Assembly or to the Members of the United Nations on matters falling within this field.

/The greatest

The greatest and most lasting improvements of the standard of living of the less developed countries or areas are likely to flow from projects which are integral parts of long-term and balanced programmes of development. Such programmes should embrace not only the economic aspects of development but should include the social, scientific, health, educational and cultural aspects of community life, and every member country should ensure, so far as possible, that all of these aspects are comprised in an harmonious programme of development.

B. Instructions to the Sub-Commission on Economic Development

In accordance with the following terms of reference of the Sub-Commission:

"To study and advise the Commission on the principles and problems

"(i) promoting the fullest and most effective utilization

of natural resources, labour and capital;

"(ii) raising the level of consumption; and

"(iii) studying the effects of industrialization and changes

of a technological order upon the world economic situation",

the Economic and Employment Commission instructs the Sub-Commission on Economic Development, taking into account the responsibilities of various international agencies;

1. To inform the Commission as early as possible regarding current and planned studies, field surveys*, and provision of technical advice and assistance to Members in the field of economic development both by the Secretariat of the United Nations and by the inter-governmental agencies.

2. To keep under consideration and to make recommendations to the Commission regarding the general planning and co-ordination of the activities mentioned in paragraph 1 above. Particular attention should be given to the participation of the various inter-governmental

* By "studies" is meant the compilation and collating of information already available or obtainable without field investigation. By "field surveys" is meant the obtaining of information in the area concerned.

agencies in these activities and, where appropriate for the United Nations to participate, to the nature of its participation.

3. To commence a study, in co-operation with the other Commissions of the United Nations and the Specialized Agencies concerned, with the view to making recommendations regarding the need for an international code relating to foreign investment which will cover among other things the protection of economic and social interests of the countries in which investments are to be made, as well as the protection of investors, both public and private; and conduct studies into the need for and methods of international incorporation of private business firms conducting business operations on an international or a world scale.

4. To make recommendations to the Commission relative to:

(a) the organization of international co-operation with respect to scientific, technological and economic research relating to production and development, the conservation of resources, the adoption of improved methods of production and technical processes to stimulate greater productivity, and the implementation of the mutual responsibilities of Members, under relevant international agreements, in relation to the international supply of facilities for economic development including capital funds, capital goods and materials, equipment, advanced technology and trained personnel;

(b) the furnishing of such technical assistance within the resources available, as members of the United Nations may request, relating to production and development; and to the organization, in co-operation with the governments concerned, of such missions as may be needed to perform this function.

5. To make recommendations to the Commission relative to any other matter which the Sub-Commission may feel should be drawn to the attention of this Commission, including any modification of these instructions which it may wish to suggest.

C. Services of the United Nations Secretariat

1. Pending recommendations from the Sub-Commission on Economic Development and in the light of the instructions to that Sub-Commission, (see Section B above) the Commission urges that except for specialized requests received from member governments clearly within the scope of the several Specialized Agencies, the Secretary-General make appropriate arrangements, in co-operation with the Specialized Agencies concerned, for the provision of such technical advice as may be requested by member governments and as is possible within the resources available and as will enable them to plan and carry out balanced development programmes as speedily and as competently as possible. If substantial assistance is required from the United Nations, it should be effected on the basis of special agreements between the United Nations and the Government requesting the assistance; such agreements should also deal with the question of defraying expenses.

2. In order that the Commission and its Sub-Commission may be in a position to examine the problems that confront the various member nations in their efforts to achieve balanced economic development, the Commission will expect the Secretariat, in co-operation with the Specialized Agencies concerned, and in accordance with the Commission's instructions to its Sub-Commission on Economic Development, to collect such data as the Commission and the Sub-Commission deem necessary, to analyze them, and to make such analyses available to this Commission and its Sub-Commission on Economic Development as soon as possible.

D. Recommendation to the Economic and Social Council Related to the "Resolution Regarding Industrial Development" submitted by the Preparatory Committee of the United Nations Conference on Trade and Employment for Advice by the Council.

1. In the light of the examination which the Commission has been able to give to this question, the Commission recommends to the Economic and Social Council that it advise the Executive Secretary of the Preparatory Committee of the United Nations Conference on Trade and Employment to the following effect:

(a) The Council considers it premature to attempt at least at this stage to make a rigid division of functions not yet allocated in the field of economic development amongst the several existing and proposed Specialized Agencies, Commissions and Sub-Commissions of the United Nations having an interest in such problems.

(b) At the same time the Council wishes to stress the desirability of ensuring that the policies and activities within this field of each of the Specialized Agencies and those of the Council and its subsidiary bodies are adequately co-ordinated, especially in the direction of providing complementary rather than competitive technical services. The Council accordingly notes with satisfaction that the Draft Charter of the proposed International Trade Organization at present includes (in Article 81) a number of clauses devoted to the achievement of these objectives.

(c) With these considerations in mind, the Council sees no reason at present for suggesting that paragraph 3 of Article 11 of the Draft Charter included provisionally in the Chapter on Economic Development should be omitted. It is assumed, however, that careful consideration will be given by the Conference to its final formulation in the light of the agreed purposes and functions of the International Trade Organization, bearing in mind:

(i) the responsibilities of existing Specialized Agencies in this field, and

(ii) the terms of reference established by the Council for the Sub-Commission on Economic Development.

(d) The Council would find it of advantage to be kept informed of the development of plans for the International Trade Organization's activities in this field, in order that further consideration may be given, as necessary, to questions affecting the functional jurisdiction of the Specialized Agencies.

PART IX

RECOMMENDATIONS RELATED TO ACTIVITIES OF THE ECONOMIC
AND EMPLOYMENT COMMISSION IN THE FIELD
OF ECONOMIC STABILITY AND FULL EMPLOYMENT

(Agenda Item No. 12)

With regard to the activities of this Commission in the field of full employment and economic stability, the Commission considered the arrangements already made and those contemplated by the Secretariat for the collection and analysis of data in this field and the preparation of reports. The Commission also took into account the specific proposals of the nuclear Economic and Employment Commission and certain proposals made in connection with the work of the Preparatory Committee of the United Nations Conference on Trade and Employment (London, October 1946).

The Commission considers that its interest in this field will include the broad economic problems of production, consumption and investments, national incomes and their distribution, and the balance of payment.

A. Instructions to the Sub-Commission on Employment and Economic Stability

The work of the Sub-Commission must in one way or another have points of contact with practically all the economic work that takes place in the Specialized Agencies, in the Department of Economic Affairs of the Secretariat, and in other Commissions that handle economic matters. No danger of overlapping is likely to exist, however, if the Sub-Commission adheres to the principle of concentrating its efforts on the general aspects of the problems; that is, on the general inter-dependence of the basic factors affecting employment, and on the integration of the forces at work, with particular emphasis on the effects of these forces as they are revealed in the aggregate magnitudes that characterize the national economies or the world economy.

In accordance with the following terms of reference of the Sub-Commission:

/"(1) to study

- "(i) to study national and international full employment policies and fluctuations in economic activity;
- "(ii) to analyze the causes of these fluctuations; and
- "(iii) to advise the Commission on the most appropriate methods of promoting full employment and economic stability",

the Economic and Employment Commission:

1. Instructs the Sub-Commission to report to the Commission as early as possible on current world economic conditions and trends, giving particular attention to any factors that are preventing, or are likely to prevent in the near future, the maintenance of full employment and economic stability, together with analyses indicating causal factors involved and recommendations as to desirable action.

2. Instructs the Sub-Commission to report to the Commission at its early convenience on:

(a) The preliminary views of the Sub-Commission concerning the kinds of international action which are likely to be feasible and of assistance in maintaining economic stability and full employment. In this connection the Sub-Commission should bear in mind the important links between stability and development and should examine such proposals as:

- (i) The concerted timing, to the extent which may be appropriate and practicable in the interests of employment policy, of national and international measures to influence credit conditions and the terms of borrowing;
- (ii) National or international arrangements, in suitable cases, to promote due stability in the real incomes of producers of primary products, taking account both of the interests of consumers and producers regardless of country;

(iii) The timing, to the extent which may be appropriate and

practicable in the interests of employment policy, of capital expenditures on projects which are either of an international character or are internationally financed; as well as the timing of the expansion of investments in less-developed countries as measures designed to maintain stability of employment during periods of depression in more highly industrialized countries.

(b) Recommended methods and forms of reporting economic conditions and trends, including the definition of specific information to be collected. In this connection, the Sub-Commission should, in co-operation with the Secretariat, give consideration to arrangements for the regular collection, analysis and exchange of information on domestic employment problems, trends and policies, including as far as possible information relating to national income, demand, and balances of payments, including methods of presenting the multilateral aspects of balance of payments problems.

(c) Any other matter which the Sub-Commission may feel should be drawn to the attention of this Commission, including any modifications of these instructions which it may wish to suggest.

B. Services of the United Nations Secretariat

1. The Commission will expect the Secretariat, in co-operation with the Specialized Agencies concerned, to collect such data as the Commission deems necessary, to analyze them, and to make such analyses available to this Commission and its Sub-Commission on Employment and Economic Stability as soon as possible, so that they may be in a position to examine the problems that confront the various member nations in their efforts to achieve and maintain economic stability and full employment, and to carry out the other tasks imposed by the terms of reference.

2. In particular, the Commission will expect the Secretariat to make available to it and its Sub-Commission periodic reports on world economic

/trends

trends and to draw their attention to any specific economic situations which should receive special consideration by its Sub-Commission, the Commission and by the Council.

3. The Commission further assumes that the Secretariat will keep abreast of methods of economic and statistical analysis and that in this connection arrangements will be considered through which economists and technicians in related fields may be brought together for the purpose of exchanging ideas and developing methods of appraising and methods of forecasting economic trends.

PART X

RECOMMENDATIONS RELATED TO RECONSTRUCTION OF DEVASTATED AREAS

(Agenda Item 13)

The Economic and Employment Commission noted the report of the Secretariat on the past activities of its Temporary Sub-Commission on Economic Reconstruction of Devastated Areas on the work presently being done by the Secretariat, and on the action taken by the Council and the General Assembly. Although some members of this Commission were of the opinion that the Economic and Employment Commission should postpone consideration of questions relating to the proposed Economic Commissions for Europe and Asia and the Far East until the matter had been decided in substance by the Council, the majority of the members of the Commission felt that the Commission should submit advice to the Council on these questions since the establishment of these two new Commissions will be discussed by the Council at its forthcoming session.

1. The Commission suggests that the Economic Commission for Europe and the Economic Commission for Asia and the Far East should be considered separately in view of the possible differences in the problems to be faced by the two Commissions and the fact that although the Council has already had an opportunity to consider in detail the report of the Temporary Sub-Commission on Economic Reconstruction of Devastated Areas with respect to Europe, that Sub-Commission's report on Asia and the Far East is still in the process of preparation.

2. If the Council decides to establish the proposed Economic Commission for Europe, the Economic and Employment Commission suggests that the terms of reference should be formulated by the Economic and Social Council itself and that the competence of the Economic Commission for Europe as defined in the terms of reference, should be applicable to all members of the Commission. The Economic and Employment Commission further suggests that when the Council considers the formulation of the terms of reference of

the Economic Commission for Europe it takes into consideration the following guiding principles which should, however, not be regarded as exhaustive:

(a) The proposed Economic Commission for Europe, with the agreement of the respective governments, should initiate and participate in measures for facilitating concerted action for the economic reconstruction for Europe.

(b) The Commission should give prior consideration to measures to facilitate the economic rehabilitation and reconstruction of devastated countries which are members of the United Nations.

(c) Immediately upon its establishment, the Commission should consult with the member governments of the Emergency Economic Committee for Europe, the European Coal Organization, and the European Central Inland Transport Organization with a view to the absorption or termination of these Organizations, while insuring that there is no interruption in the essential work performed by them.

(d) In view of the special functions contemplated for the Commission, the Commission should be empowered to make recommendations on any matter within its competence directly to its member governments, governments admitted in a consultative capacity, and the Specialized Agencies concerned, but the Commission should submit for the Council's consideration any of its proposals for activities that might have important effects on the economy of the world as a whole.

(e) Subject to such measures of financial and budgetary control as may be necessary, the Commission should be empowered to establish such subsidiary machinery as it deems appropriate for facilitating the carrying out of its responsibilities.

(f) The Council should consider measures to ensure that the necessary liaison is maintained between the Economic Commission for Europe and other organs of the United Nations, in particular the Economic and Employment Commission and the Economic Commission for Asia and the

Far East.

3. The Commission recommends that the Council transfer future work on reconstruction needs of devastated areas in Europe from the Temporary Sub-Commission on Economic Reconstruction of Devastated Areas to the proposed Economic Commission for Europe. The Economic and Employment Commission also desires to draw the Council's attention to the fact that, while the General Assembly recommended that the Council give prompt and favourable consideration to the establishment of an Economic Commission for Europe and an Economic Commission for Asia and the Far East, it did not express any views on measures to be taken concerning the economic reconstruction of devastated areas in North Africa and Ethiopia although these areas were included in the scope of the activities of the Temporary Sub-Commission. This Commission recommends that the Economic and Social Council consider the measures necessary in connection with this matter.

4. The Commission recommends that the Economic and Social Council consider the establishment of an Economic Commission for Asia and the Far East after the Temporary Sub-Commission on Economic Reconstruction of Devastated Areas has submitted its report on reconstruction needs of those areas.

PART XI

OBSERVATION CONCERNING CO-ORDINATION OF THE WORK OF THE ECONOMIC
AND EMPLOYMENT COMMISSION AND ITS SUB-COMMISSIONS,
WITH THE WORK OF SPECIALIZED AGENCIES

(Agenda Items Nos. 11, 12 and 13)

1. With regard to co-ordination of the work of the Economic and Employment Commission and its Sub-Commissions with that of the Specialized Agencies, the Commission is of the opinion that the presence of representatives of the Specialized Agencies concerned at the meetings of the Commission and its Sub-Commissions as well as the formal and informal working arrangements which the Secretariat has initiated may be sufficient, for the time being, and that the Commission need not at this time take any further action on this matter except as specific problems may in the future be brought to its attention either by the Secretariat, by a Member Nation, or by a Specialized Agency. The Commission wishes to point out, however, that in accordance with the resolution of the Economic and Social Council in which the latter, during its Second Session, fixed its Terms of Reference, the Commission considers it one of its essential tasks, purposes, and instruments of action, to present to the Council recommendations with reference to economic questions requiring study and/or action by more than one Specialized Agency or Commission of the Council.
2. The Commission also suggests that the Secretariat give consideration to the establishment of a "Co-ordination Register". The purpose of the Register should be to maintain at all times a systematically classified file of information of all work in the economic and statistical fields under way or planned in all the Commissions, Sub-Commissions, Specialized Agencies and Non-governmental Organizations, on:
 - (a) Collection of data;
 - (b) Analysis of data; and
 - (c) Operative tasks.

To what extent the information should include details of the work will have to be decided in the light of experience. It may not be practical to go very far in the putting of details on record. Rather the co-ordination of details should be assured by extending the information on file to include also an extensive list of names and addresses of the persons who are in immediate charge of the various parts of the work so that whenever needed, rapid contact may be achieved.

PART XIII
OBSERVATIONS CONCERNING THE ECONOMIC ASPECTS
OF HOUSING AND TOWN-PLANNING

(Agenda Item No. 16)

1. In view of the fact that the Social Commission, meeting at the same time as this Commission, also had the subject of housing and town-planning on its Agenda, this Commission decided not to give this subject detailed consideration at this session. The Chairman of this Commission, in his discussion with the Chairman of the Social Commission with respect to the activities of the two Commissions on housing and town-planning, arrived at an agreement that the Social Commission would undertake to formulate the demand side of the problem, keeping in mind the importance of viewing housing needs in relation to other urgent needs and working out a priority schedule on a quantitative basis. It was also agreed that after the Social Commission had presented that side of the problem, it would become the responsibility of the Economic and Employment Commission to consider other economic aspects of the problem in the light of the general availability of resources, the reconstruction needs of devastated areas, the problems of full employment as affected by the volume and fluctuations of industrial activity, and the factors related to the economic development of less-developed areas.

2. This Commission expects to give attention to the economic aspects of housing at future meetings and will be guided by the action of the Council on the resolution adopted by the General Assembly on 14 December 1946. In anticipation of the Commission's consideration of this matter, the Secretariat is expected to collect and analyze such data as may be appropriate to facilitate the work of the Commission.

PART XIII

INTERNATIONAL CONTROLS AND ALLOCATIONS OF COMMODITIES
IN SHORT SUPPLY AND THE PROBLEM OF SURPLUS COMMODITIES IN PROSPECT

(Agenda Item No. 19)

TO BE INSERTED

PART XIV

RECOMMENDATION CONCERNING CORRESPONDING MEMBERS
OF THE ECONOMIC AND EMPLOYMENT COMMISSION

(Agenda Item No. 20)

According to the terms of reference of the Economic and Employment Commission,

"The Economic and Social Council may, in addition, appoint in their individual capacity, from ten to fifteen corresponding members from countries not represented on the Commission. Such members shall be appointed with the approval of the governments concerned."

The Commission considered this provision and recommends to the Economic and Social Council that the Council not appoint corresponding members to this Commission at this time. The Commission is of the opinion that this matter should wait until the Commission has had an opportunity to consider it in the light of its own experience.

PART XV

REPRESENTATION ON THE POPULATION COMMISSION

(Agenda Item No. 21)

In accordance with the Resolution of the Economic and Social Council establishing the Population Commission which states, in part, that:

"In order to maintain close liaison between the Population Commission and other bodies concerned with population problems, the Population Commission shall invite representatives from the Economic and Employment Commission, Statistical Commission and the Social Commission. Such representatives may take part in the proceedings of the Commission but shall not be entitled to vote."

the Economic and Employment Commission elected Mr. _____ to serve as its representative on the Population Commission.

PART XVI

ROUTE AND PLACE OF NEXT MEETING OF
ECONOMIC AND EMPLOYMENT COMMISSION

(Agenda Item No. 24)

1. In view of the present uncertainty as to the 1947 United Nations budgetary allotments for meetings of Commissions and Sub-Commission of the Economic and Social Council, the Economic and Employment Commission was unable to set the exact time of its next meeting.
2. The Commission agreed that the time and place of its Second Session should be set by the Chairman in consultation with the Secretary-General and that the Chairman be guided by the consideration that the selection of the members of its Sub-Commissions on Economic Development and on Employment and Economic Stability should take place as early as possible (see Part VI of this Report) and that the Second Session of this Commission should preferably be convened before the Fifth Session of the Economic and Social Council.