

FIRST COMMITTEE: EMPLOYMENT AND ECONOMIC ACTIVITY

SUMMARY RECORD OF THE ELEVENTH MEETING

Held at the Capitol, Havana, Cuba,
Monday, 9 February 1948 at 10.30 a.m.

Chairman: Mr. WAERUM (Denmark)

CONSIDERATION OF THE NORWEGIAN AMENDMENT TO ARTICLE 6 (Document E/CONF.2/C.1/21)

The CHAIRMAN recalled that the Norwegian representative had reserved the right of his delegation to reintroduce its amendments to Articles 3 and 7 after a decision had been taken on certain other Articles of the Charter.

Mr. SKAUG (Norway) said that his delegation was willing to withdraw the two earlier amendments in favour of a proposed redraft of the original Article 7, now Article 6. The purpose of the redraft was to contribute to the protection of Members from inflationary and deflationary pressures. The problem had been raised in Geneva and as a result Article 43 (II) (b) had been inserted in the Charter, but that provision only protected a country which was undergoing shortages subsequent to the war. The Charter contained no general provision as regards these problems and the reference to inflationary and deflationary pressure contained in the Conference Resolution on Employment could not be regarded as sufficient.

Mr. IVERSEN (Denmark) and Mr. LJUNGDAHL (Sweden) supported the Norwegian amendment.

Mr. ZOLOTAS (Greece) was not opposed to the Norwegian amendment but did not believe that inflationary and deflationary pressure could be combatted within the framework of an expanding international trade. The best solution would be international agreement among the large industrialized countries to combat fluctuations.

Mr. BURON (France) agreed with the representative of Greece but saw no objection to the inclusion of the Norwegian amendment.

Mr. ADARKAR (India) agreed that safeguards should be provided to counteract inflationary as well as deflationary pressure, but opposed the suggestion that special consideration should be given to the consequences for exporting countries in the event of deflationary developments. An importing

/country would

country would also suffer as a result of deflationary pressure and therefore he proposed that the reference to "special consideration" for exporting countries be deleted.

Mr. ZOLOTAS (Greece) pointed out that all countries were both importers and exporters.

Mr. BRONZ (United States) wondered if the Norwegian and Indian views would be met by the deletion of the second sentence of the redraft.

Mr. PHILLIPS (Australia) agreed with the representative of Greece that large importing countries were also usually large exporting countries. However, a decline in the demand for exports was the first impact of a depression and it was logical that some special provision should be included in that respect.

Mr. AUGENTHALER (Czechoslovakia) suggested the deletion of the words "for exporting countries".

Mr. ADARKAR (India) preferred the Czechoslovak amendment to that put forward by the representative of the United States. He agreed that all countries were both exporters and importers but when they applied to the Organization they would do so in connection with a specific problem, that is, as exporters or importers.

Mr. PHILLIPS (Australia) suggested that the words "any Member" be substituted for "exporting countries".

The representatives of Czechoslovakia, Norway and France supported the Australian proposal.

Mr. TORRES (Brazil) proposed the addition of the words "from abroad" at the end of the first sentence of the redraft.

The Norwegian amendment, as amended by the representatives of Australia and Brazil, was accepted by the Committee subject to possible consideration of any changes which the Central Drafting Committee might suggest.

At the suggestion of Mr. BRONZ (United States) the heading of Article 6 was changed to read "Safeguards for Members Subject to External Inflationary or Deflationary Pressure".

2. CONSIDERATION OF THE DRAFTING CHANGES RECOMMENDED BY THE CENTRAL DRAFTING COMMITTEE IN THE TEXT OF CHAPTER III WITH THE EXCEPTION OF ARTICLE 6
(Document E/CONF.2/C.8/1/Rev.1)

Article 2

Approved without comment.

Article 3

After a short discussion in which the CHAIRMAN, and the representatives of France and Belgium took part, Article 3 was approved.

/Article 4

Article 4

After a discussion in which the representative of Turkey and Mr. ROYER (France), Chairman of the Drafting Committee, took part, Article 4 was approved.

Article 5

Approved without comment.

Article 7

Mr. OTANEZ (Venezuela) supported by Mr. de GAIFFIER (Belgium) considered that the English text of paragraph 1 gave the impression that any improvement in wages and working conditions should be subject to an increase in productivity, and suggested that the text should be redrafted to agree with the French text.

The CHAIRMAN proposed that the last words of the second sentence of paragraph 1 of the English text should be redrafted to read: "the improvement of wages and working conditions concurrently with advances in productivity", rather than "as advances in productivity may permit".

Mr. FER (Turkey) considered that the original wording of the first sentence in paragraph 1 should be maintained as the wording suggested by the Drafting Committee would lead to difficulties of interpretation.

Mr. ROYER (France), Chairman of the Central Drafting Committee, suggested that the word "concerning" in the first sentence of paragraph 1 might be changed to "protecting" in the English text and "protegeant" in the French text.

The representatives of the United Kingdom and of Mexico supported the remarks of the representative of Turkey.

After a brief discussion in which Mr. ROYER (Chairman of the Central Drafting Committee), the CHAIRMAN, the representatives of Venezuela and Turkey took part it was agreed that the first sentence of paragraph 1 should be redrafted to read:

"1. The Members recognize that measures relating to employment must take fully into account the rights which are guaranteed to workers by inter-governmental declarations, conventions and agreements,"
the French text to read:

"1. Les Etats Membres reconnaissent que les mesures relatives à l'emploi doivent pleinement tenir compte des droits qui sont reconnus aux travailleurs par des déclarations, des conventions et des accords intergouvernementaux."

It was agreed that Article 7 should be re-submitted to the Central Drafting Committee with the amendments suggested, with particular reference to the use of "reconnus" as the French equivalent of "guaranteed".

The meeting rose at 12.15 p.m.
