



Recommendation 10 (1951)¹

Common Policy of Full Employment

Parliamentary Assembly

The Assembly,

Recalling the terms of its [Recommendation 25](#) (2nd Session : 1950, [Doc. 103](#)) of August, 1950, requesting each Member State to be invited to submit to it a “full employment target” and certain other information concerning its domestic policy for achieving full employment and economic stability,

Noting that the Committee of Ministers transmitted this Recommendation to Member States with a request that the replies should reach the Secretariat-General before 1st February, 1951,

Wishing to draw the attention of the Committee of Ministers to the fact that by May, 1951 only nine Governments had forwarded their replies and that at the beginning of November two Governments had still not complied with the request,

Furthermore noting that only one Government, namely that of the United Kingdom, had fixed a full employment target and that several replies lacked the data necessary for assessing the economic situation in the respective countries and the general character of their domestic policies,

Referring to the replies furnished by the Member States on their employment situation² and to the conclusions based on the study of these replies³,

Wishing to stress the following aspects of the employment situation in the Member States of the Council of Europe :

- a. That the main problem of most Member States is excessive pressure of demand and that unemployment in Western Europe is mainly concentrated in Germany, Greece, Italy and Turkey,
- b. That in the case of Greece and Turkey the unemployed cannot be integrated in the national economy owing to lack of industrial potential and that in these cases the appropriate remedy is to be found in a policy of industrialisation and emigration at the same time as agricultural development. It should in fact be emphasised that the problem of full employment and of the industrialisation of the under-developed countries of the Council of Europe is intimately linked to the agricultural situation in these countries. Their economic development raises in fact a two-fold problem : first, that of finding opportunities for new employment (in the country itself, in the territory of Member States or in their overseas dependencies) for persons deprived of their livelihood through the mechanisation and modernisation of agriculture, which in turn calls for the investment of fresh capital in the extractive and manufacturing industries of the home and overseas territories in question ; secondly, that of finding reliable export markets for such surplus agricultural output as may arise from the mechanisation of farm production,
- c. That in Germany the unemployment, which is to a certain extent matched by idle industrial capacity, is the result of several factors, such as the continuous influx of refugees, lack of housing in areas where industrial capacity is not fully utilised, and the political division of Germany,

1. This Recommendation was adopted by the Assembly at its Thirty-second Sitting, 5th December, 1951 (see [Doc. 65](#), Third Report of the Committee on Economic Questions).

2. See 3rd Session, 1951 : [Doc. 65](#), Memorandum appended to the Report.

3. See 3rd Session, 1961 : [Doc. 66](#) (Explanatory Memorandum).



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- d. That in Italy, where again a section of the industrial potential is inadequately used, the problem of unemployment is aggravated by the rapid growth of population and the fact that Southern Italy can to some extent be regarded as an under-developed region,
- e. That, on the international plane, a better international allocation of raw materials and concerted measures for facilitating increased mobility of labour and capital would greatly contribute to solving the present problems of unemployment and of inflation in Western Europe,
- f. That there is, however, an even greater need for each Member State to pursue effective and imaginative domestic policies, and that it is a fundamental responsibility of each Government to maintain a high and stable level of employment while at the same time avoiding inflationary pressure,

Emphasising the importance which it attaches to its [Recommendation 5](#) of May, 1951 calling for the convocation, jointly by the Council of Europe and the O. E. E. C, of a Conference to draw up a European agreement on Full Employment and Economic Stability, based on the findings embodied in the Report entitled "Full Employment Objectives and the Problem of European Economic Co-operation" which, by decision of the Committee of Ministers, has been transmitted for comment to the Governments of all Member States,

1. Reiterates its request that each Member State should submit a "full employment target",

2. Recommends to the Committee of Ministers

- a. That each Member State should re-examine its present - economic policy in the light, of the above considerations,
- b. That each Member State should as soon as possible take action on [Recommendation 7](#) adopted by the Consultative Assembly on 15th May, 1951 concerning the establishment of a Raw Materials Resources and Purchasing Board,
- c. That each Member State should agree to transmit to the Secretariat-General

twice a year in February and in August the latest available data on the state of employment and prices in Member States and any other documents, such as national income accounts and papers on economic policy, which might be useful in assessing their economic situation,

a copy of their replies to the various questionnaires sent out by the Economic and Social Council of the United Nations on the economic situation of Member States. 3. Instructs the Secretariat-General

3. Instructs the Secretariat-General to undertake an analysis of these data in collaboration with the other International Organisations concerned as well as with independent experts and to report its findings to the Committee on Economic Questions.