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Full employment

Motion for a resolution

tabled by Mr Hugh DALTON and other members of the Assembly

The Consultative Assembly of the Council of Europe records its solemn conviction that unemployment is the gravest of all economic diseases which can afflict modern States; that unemployment, particularly when heavy and prolonged, saps the physical and mental powers of its victims, creates in them a sense of hopelessness and worthlessness, weakening their confidence in political democracy and in the moral aims of society, and seriously impairs the productive effort of the community by depriving those who are without work, against their will, of the right to make their contribution to the total of national wealth.

It further holds that the Right to work is one of the most fundamental of Human Rights and should be clearly recognised in the Political and economic arrangements of all civilised States, and that it is the duty of all governments associated with the Council of Europe to take all necessary measures to ensure full employment.

It declares that full employment is a necessary prerequisite of the maintenance and smooth working of a healthy international economic system.

It notes with keen approval that both the International Labour Organisation and the Economic and Social Council of the United Nations have recently given their support to this aim of full employment, and takes note of the most valuable Report, by a group of experts appointed by the Secretary General of the United Nations, on National and International Measures for Full Employment, with the conclusions of which the Consultative Assembly expresses its most emphatic general agreement.

It, therefore, strongly recommends to the Committee of Ministers that each government associated with the Council of Europe should announce to the Secretary General by 30th September, 1950 a full employment "target" in the form of a range of unemployment or employment percentages or, alternatively, a minimum level of employment or maximum of unemployment, which it will endeavour by all means in its power to maintain.

It requests the Secretary General, in consultation with the International Labour Organisation and the Economic and Social Council of the United Nations, to study these targets or limits so as to elucidate the comparative degree of achievement aimed at by each government, and to urge each government to adopt and announce a definite full employment "target" or limit of the type described above.

It proposes that each government shall submit to the Council of Europe by 1st November 1950 a report on its general domestic policies for achieving full employment and economic stability, with particular reference to

- a. the use which it expects to make of the various techniques suggested in paragraphs 153 to 164 of the Experts' Report, such as flexible fiscal policies, adjustable public investment programmes and measures to maintain incomes and levels of consumption,
- b. the Experts' proposal for the adoption of automatic compensatory measures, or, if these are not to be adopted, the alternative means at its disposal for diagnosing the employment situation and for taking rapid action to counteract an unfavourable trend,
- c. the means by which it hopes to ensure the stability of the price level and to avoid both inflation as well as deflation,



- d. the adequacy of its legislative procedures administrative organisation and statistical services to implement these policies.

The Consultative Assembly recommends that each Government should make it a principal aim of its policy to assist others in reducing undesirable fluctuations in international trade and payments ; and, with this aim in view, should prepare estimates of its balance of payments during the next five years on both current and capital account, taking due note of the need to increase the gold and dollar reserves of a number of countries so that these reserves may be sufficient to enable the countries concerned to meet, without danger, such fluctuations as may reasonably be expected in their receipts of foreign exchange.

It declares that international co-operation is essential to prevent the spread of depression and unemployment from one country to others, and to maintain a steady flow of capital between various countries, particularly in order to stimulate the full use of undeveloped resources.

It proposes, with this aim in view, that each government should undertake, in the event of a decline in effective demand within its borders, to do its utmost, so far as the state of its monetary reserves permits, to prevent a consequential decline in the supply of its currency to the rest of the world, this to be achieved either by maintaining imports or by the provision of additional credit for its neighbours, either through public or private expenditure. It urges those governments whose monetary reserves and financial resources permit, consistently with the avoidance of inflation, to maintain a high and regular flow of capital export for purposes of development.

The Consultative Assembly is confident that, by focussing the attention of Europe on the fundamental economic, political and moral importance of full employment, and on the determination of the Council of Europe that this objective shall be achieved in all its member countries, the European peoples will be convinced that the Council of Europe signifies for them not some juridical abstraction, but a practical instrument, which, in the hands of men of energy and goodwill, can furnish to all the workers of Europe an assured livelihood, a rising standard of comfort and a just share in the ever-increasing production to which each citizen is entitled and must be enabled to contribute.

Signed (see overleaf)

*Signed*¹:

DALTON Hugh, United Kingdom, SOC

1. SOC: Socialist Group