

CONSEIL DE L'EUROPE - COUNCIL OF EUROPE

CONSULTATIVE ASSEMBLY

Strasbourg, 11th May, 1951

Confidential

AS/EC (3) PV 3

COMMITTEE ON ECONOMIC QUESTIONS

First Session



PACECOM003868

MINUTES

of the third meeting held at
5.00 p.m. on 11th May, 1951,
at the Seat of the Council of
Europe.

There were present:

MM.	REYNAUD	(France)
	BOOTHBY	(United Kingdom)
	CASSIMATIS	(Greece)
	VAN CAUWELAERT	(Belgium)
	CROSLAND	(United Kingdom)
	EBUZZIYA	(Turkey)
	FEDERSPIEL	(Denmark)
	VAN DE KIEFT	(Netherlands)
	IRELAND	(Ireland)
Lord	LAYTON	(United Kingdom)
M.	MOE	(Norway)

Substitutes:

MM.	BASTIANETTO	(Italy)	for	M. PARRI
	BENVENUTI	(Italy)	"	M. CAMPILLI
	KORTHALS	(Netherlands)	"	M. SCHMAL
	VON MERKALS	(German Feder-	"	M. VON CAMPE
		al Republic)	"	M. CORBINO
	SANTERO	(Italy)	"	
	SEMLER	(German Reder-	"	M. PUNDER
		al Republic)	"	M. OHLIN
	VON TRIESSEN	(Sweden)	"	

Absent:

MM. GJÖRES	(Sweden)
GULEK	(Turkey)
HAFSTEIN	(Iceland)
LONGCHAMBON	(France)
MOTZ	(Belgium)
NOLTING	(German Federal Republic)
PHILIP	(France)
RASQUIN	(Luxembourg)
SINGER	(Saar)
STEFANOPOULOS	(Greece)

The following also attended the meeting as the proposers of amendments referred to the Committee:

MM. EDELMAN, HOPKINSON, MACMILLAN.

1. Opening of the Meeting

The meeting was opened at 6.00 p.m. with M. Paul Reynaud, Chairman, in the Chair.

There being a considerable number of absentees, owing to the fact that the Assembly was holding a public debate on problems primarily concerning the Economic Committee, it was decided at 6.10 p.m. to suspend the meeting and to resume at 9.30 p.m.

2. Resumption of the Meeting

The meeting was resumed at 9.30 p.m. with M. Paul Reynaud, Chairman, in the Chair.

3. Adoption of the Minutes of the previous Meeting

The Minutes of the previous meeting (AS/EC (3) PV 2) were adopted unanimously.

4. Approval of the Agenda

The Agenda was approved unanimously.

5. Resumed Discussion and Vote on the Reply to the Report of O.E.E.C.

Lord Layton read a draft recommendation to be submitted to the Committee of Ministers in reply to the Report of O.E.E.C. (AS/EC (3) 2). So that no doubt would remain concerning the importance of the work which O.E.E.C. would be requested to

/perform...

perform, and in view of the fact that other Organisations such as E.C.E. were already doing similar work, the Committee, at the suggestion of Mr. Boothby and with the agreement of Lord Layton, decided to delete paragraph (c) of the draft recommendation.

With this amendment the Committee unanimously adopted the proposal of Lord Layton, who was instructed to report on it to the Assembly.

6. Consideration of various Proposals referred to the Committee by the Assembly

(a) Co-ordination of the Political Organs and Technical Services of the O.E.E.C., the Council of Europe and the Specialised Authorities (AS (3) 24)

After speeches by Lord Layton and MM. Moe, Reynaud, and van Cauwelaert, the Committee, considering that the proposal was, to say the least of it, premature, decided to instruct Lord Layton to discuss the question with O.E.E.C. through the Liaison Committee and subsequently to report to the Committee.

Lord Layton was instructed to submit the opinion of the Committee to the Assembly.

(b) Creation of an Organ of Economic Co-ordination attached to the Consultative Assembly of the Council of Europe (AS (3) 37)

After M. Semler had proposed that this motion be combined with the previous one, M. Bastianetto spoke in support of the motion which he had tabled. Referring to the proposal which he made in August on the creation of a European Ministry of Finance and Economic Affairs, he said he was quite sure that the proposal which he now submitted would at last make possible real and effective economic co-ordination and co-operation.

In the general discussion which followed on this proposal, MM. Moe, Reynaud, Crosland, Boothby and Semler and Lord Layton spoke against the motion, either on account of the financial implications which it involved (increased staff), or for reasons of general policy (integration of the various Organisations; consideration of the Swedish proposal relating to O.E.E.C.).

/In...

In view of the unfavourable opinion expressed by the Committee, M. Bastianetto agreed that the question should be deferred and reconsidered at a later date, he proposed therefore that the solution suggested by Lord Layton be accepted.

This was decided, and it was agreed that, in his conversations with O.E.E.C., Lord Layton would endeavour to make improved arrangements for the communication of any useful documents and information by O.E.E.C.

(c) Full Employment Policy (AS (3) 21) - 5a
(Amendments Nos. 1, 2, and 3).

Amendment No. 1: submitted by Mr. Crosland

Part 1: Mr. Crosland justified his amendment on the ground that the draft recommendation laid too much stress on the danger of inflation and too little on that of unemployment. The fact was that in connection with full employment neither could be ignored.

After speeches by MM. Boothby, Benvenuti, and Reynaud, the Committee adopted a draft text proposed by the Chairman to allow for points raised by MM. Semler and Benvenuti:

For: "Emphasises that the maintenance of full employment and monetary stability..."

Substitute: "Emphasising that the elimination of unemployment and the maintenance of monetary stability..."

Part 2: Mr. Crosland defined the purpose of his amendment; it was not intended as any criticism of the Governments, but was simply an expression of anxiety concerning the numbers of unemployed in Germany and Italy.

M. Benvenuti accepted the amendment, but requested that, out of courtesy to the Italian Delegation, most of whom would be absent during the following week, no vote should be taken during that period.

M. Semler began by referring to the previous discussion of this question in the Committee when it was decided not to mention any country by name, pending the receipt of replies from the Governments. He added that he did not consider the position in Germany as likely to cause anxiety. There were still 1,500,000 unemployed, but over the last two years 3,500,000 unemployed had been found work.

/M. Semler...

M. Semler, supported by MM. Reynaud, van Cauwelaert and Boothby, therefore requested that this part of the amendment be rejected.

Mr. Crosland, after again emphasising that he had had no intention of making strictures, but merely of stating a fact, agreed to withdraw the second part of his amendment.

Amendment No. 2: submitted by M. Benvenuti

After indicating that he approved the general aim of the Report of the Experts, but not the methods proposed, M. Benvenuti, in order to avoid too lengthy a discussion, modified his amendment and proposed the deletion of paragraph 1 of the Resolution.

After speeches by MM. Reynaud, Moe, Crosland, and Lord Layton, the Committee accepted the following proposal by the Chairman:

- "(1) Approves the general aim of the Report and takes note of the methods recommended."

Amendment No. 3: submitted by M. Benvenuti

M. Benvenuti defined the purpose of his amendment and stated the reasons for it.

After speeches by MM. Crosland and Moe, the Committee adopted an amendment to the amendment submitted by M. Moe, which provided that Member States, before trying to find opportunities for employment on the territory of other States, should try to do so on their own territory.

With this amendment, the text proposed by M. Benvenuti was adopted by the Committee, and it was arranged that it should be submitted to the Assembly by M. Moe.

- (d) Establishment of a Joint Atlantic Resources and Purchasing Board (AS (2) 144)

Mr. Edelman, proposer of the Motion, gave his views on Mr. Hopkinson's amendment, which he accepted, and on Mr. Macmillan's amendment of which he accepted the spirit, but not the letter.

After speeches by Lord Layton and MM. Macmillan, Reynaud and Von Triessen supporting the amendment, subject to a modification of the way in which it was presented, and by M. Bastianetto opposing the amendment, the Committee adopted

/Mr. Hopkinson's...

Mr. Hopkinson's amendment (AS (3) 34) and Mr. Macmillan's amendment (AS (3) 29) with the following alteration:

Before: "Calls on the Committee of Ministers"...

Insert: "and recognising the need to deprive
aggressor States of strategic raw materials,"

Mr. Boothby was instructed to present the opinion of the Committee on this matter to the Assembly.

- (e) Appointment of a Special Committee to consider
the Question of a European Customs Union (AS (3) 40)

In view of the precedents established in the case of the Special Committees on Transport and Agriculture, and considering, furthermore, that the sort of work which would be given to the Committee proposed by M. Moutet was very similar to that of the Sub-Committee on Finance and Trade, the Committee decided to reject this proposal.

M. Semler was instructed to submit the opinion of the Committee to the Assembly.

- (f) Economic Co-ordination between Members of the
Council of Europe and Overseas Countries (AS (3) 39)

After speeches by MM. Boothby and Moe, the Committee decided, on the proposal of M. Mernier, to recommend that the Committee of Ministers arrange for the study proposed by Mr. Macmillan to be carried out by the O.E.E.C.

Mr. Boothby was instructed to present to the Assembly the opinion of the Committee on this matter, too.

The meeting was closed at 12.30 a.m.