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**REPORT I**

**International Labour Conference**

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**Future Policy, Programme and Status  
of the  
International Labour Organisation**

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## CHAPTER I

### THE AIMS AND PURPOSES OF THE INTERNATIONAL LABOUR ORGANISATION

The events culminating in the Second World War have produced in many countries a revaluation of the objectives of economic policy. A new social emphasis has been the distinguishing characteristic of the statements of policy which statesmen from a wide range of countries and of every shade of political thought have had occasion to make during the war years. Regarding questions of pace and method there naturally continue to be substantial differences of opinion, but the general proposition that economic policy is to be regarded as essentially a means for the achievement of certain social objectives has secured a degree of agreement which measures the extent of the response which men's minds have already made to the challenge of two world wars within a generation separated from each other by the most devastating and tragic economic depression in the history of industrial civilisation. There is a grim determination in all lands that these things shall not recur, and that the economic disorders and distresses which played some part in producing the present conflict shall be attacked with a degree of resolution, understanding and solidarity commensurate with the needs of the times.

This determination has already found expression in international statements of policy of an authoritative character. Of the four freedoms proclaimed by President Roosevelt on 6 January 1941, which by general consent have acquired the status of the battle-cry of the United Nations, "The third is freedom from want, which translated into world terms, means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants—everywhere in the world".

Of the eight common principles announced in the Atlantic Charter and since subscribed to by the forty-four United Nations, three define a common approach to international social and economic problems. These principles are as follows:

Fourth, they will endeavour, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of

access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

Fifth, they desire to bring about the fullest collaboration between all nations in the economic field with the object of securing for all improved labour standards, economic advancement and social security.

Sixth, after the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want.

These three principles were endorsed unanimously by the Conference of the International Labour Organisation, held in New York and Washington in October-November 1941, which pledged the full co-operation of the International Labour Organisation in their implementation.

The economic foundations on which progress towards the attainment of the objectives set forth in the Atlantic Charter must be built have since been further indicated in the Mutual Aid Agreements concluded between the United States of America and some 20 countries. These provide that the terms and conditions of the final determination of the benefits to be provided in return for lend-lease aid shall be such as not to burden commerce between the countries concerned "but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations", and shall to that end include provision for agreed action—

open to participation by all countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 12, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

Since the social objectives of the free peoples were set on record, and an outline of the economic means of attaining them was sketched, in the Atlantic Charter and the Mutual Aid Agreements, the clarification of policy has proceeded a considerable distance. Statesmen of opposing parties and conflicting views have formulated their respective standpoints in a wide range of countries. Out of the maelstrom of discussion and debate there has emerged a substantial measure of common agreement regarding objectives. Full employment at fair pay, better nutrition, better housing, better medical services, fuller equality of educational opportunity, adequate family allowances, more ample provision for old age,

disability, and widows and orphans, proper recreational facilities for all classes in the community and especially for the young, higher standards of health, safety, welfare and leisure in industry, more assured prosperity and a higher level of amenities in agriculture—these are the things that a growing body of opinion in every country, and in every political party, regards as an essential part of the civilised standard of life which every citizen is entitled to expect the community to make it reasonably possible for him to attain. These are the social claims which the common man, whose conception of the possible has been vastly enlarged by two world wars, now expects the economic system to satisfy. The problem of post-war economic reconstruction is that of determining how these social claims are to be met—irrespective of class, creed, race or sex, and in countries of very various economic traditions and problems and in very varying stages of economic development. To this problem the statesmanship of all the free countries is, to the extent permitted by the prior claims of immediate military preoccupations, increasingly addressing itself, as is evidenced by a long series of national and international discussions and decisions.

In the context of these evolving policies it has clearly become desirable that the International Labour Organisation should reformulate the aims and purposes which it will pursue in the period into which the world is now moving. All that has happened since 1919 has given added force to the basic philosophy of international affairs proclaimed by the Constitution of the Organisation, and there is nothing in the terms in which that philosophy was expressed in the Constitution which one would wish to abrogate or qualify in the light of subsequent experience. But the world having moved forward, the Organisation can now move forward with it, or preferably somewhat in advance of it, and the time would accordingly appear to have come for the adoption of a new statement of general principles on the lines of Article 41 of the Constitution of the Organisation, which would constitute, as Article 41 did in 1919, a social mandate setting certain goals before the Organisation and representing a pledge by the Members of the Organisation to co-operate for the attainment of those goals.

It is suggested that such a restatement of the aims and purposes of the International Labour Organisation could most appropriately take the form of a solemn declaration by the Conference. The adoption of such a declaration would serve to mark a turning point in the history of the Organisation by reformulating its objectives in the new perspective of a changed world situation. For this purpose none of the traditional procedures of the Organisation is altogether appropriate. The amendment of the Constitu-

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## PROPOSED DECLARATION CONCERNING THE AIMS AND PURPOSES OF THE INTERNATIONAL LABOUR ORGANISATION

This paragraph, while mainly formal, draws attention at the outset to the interdependence of the aims and purposes of the

International Labour Organisation and the policies of its Members. It is through its Members that the action of the Organisation becomes effective, and unless their national policies are systematically directed towards the attainment of the aims and purposes of the Organisation no international action which it is within the power of the Organisation to take will suffice to translate those aims and purposes into concrete achievement expressed in the well-being of individual human lives.

*The Conference reaffirms the fundamental principles on which the Organisation is based and, in particular, that labour is not a commodity; that freedom of expression and of association are essential to sustained progress; that poverty anywhere constitutes a danger to prosperity everywhere, and that accordingly the war against want, while it requires to be carried on with unrelenting vigour within each nation, equally requires continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of Governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.*

This paragraph reaffirms the fundamental principles on which the International Labour Organisation is based, as set forth in the Preamble and Article 41 of the Constitution and exemplified in its whole constitutional structure, and draws special attention to the fundamental principle that labour is not a commodity and to the fact that freedom of association, which is a corollary of this principle, is the cornerstone of the democratic structure of the Organisation. The affirmation of the indivisibility of the prosperity of all peoples broadens in the light of subsequent experience the declaration contained in the Preamble to the Constitution that the failure of any nation to adopt humane conditions of labour constitutes an obstacle in the way of other nations which desire to improve the conditions in their own countries. The paragraph emphasises that international effort can be successful only if it is continuous and concerted and re-emphasises that international action cannot be successful in the absence of vigorous national action. It reaffirms the basic constitutional principle on which the International Labour Organisation is founded—the participation of representatives of workers and employers, enjoying equal status with those of Governments, in free discussion and democratic decision directed to the promotion of the common welfare—and by so doing asserts the importance of such participation for the successful handling of the problems of the future.

*Believing that experience has fully demonstrated the truth of the statement in the Preamble to the Constitution of the International Labour Organisation that lasting peace can be established only if it is based on social justice, the Conference affirms that all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity, that the attainment of the conditions in which this shall be possible must constitute the central aim of national and international policy, and that all policies and measures, in particular those of an economic and financial character, must be judged in this light and accepted only in so far as they may be held to promote and not to hinder the achievement of this fundamental objective.*

This paragraph is designed to indicate the manner in which the concept of social justice on which the International Labour Organisation was based has broadened during the intervening quarter of a century.

The events of the intervening years have made it particularly desirable to affirm that all human beings have certain common rights, irrespective of race, creed or sex, thus disavowing utterly the policies of discrimination which have brought so much misery to the world under Axis rule and should clearly be eliminated from the practice of all democratic States.

They have also made it desirable to broaden the conception of the elimination of inhumane conditions of labour into that of the elimination of economic insecurity, while stating this conception in close relationship with that of equality of opportunity, and emphasising that freedom and dignity are necessary accompaniments of both. It is in seeking the combination of freedom and dignity with economic security and equal opportunity that the democracies differ from those who have been prepared to seek a measure of economic security at the price of slavery.

The paragraph concludes by stating the keynote of the social thinking which has emerged from the world's ordeal, that the attainment of conditions in which men can exercise the human rights which have been postulated "must constitute the central aim of national and international policy" in the light of which all policies and measures must be judged. The words suggested are an attempt to express concisely the general consensus of opinion in this sense resulting from the discussions of the New York Conference, which was summed up by President Roosevelt, when addressing the Conference, in the remark "We have learned too well that social problems and economic problems are not separate

watertight compartments in the international any more than in the national sphere. In international, as in national affairs, economic policy can no longer be an end in itself. It is merely a means for achieving social objectives." Mr Ernest Bevin struck a similar keynote for the proceedings of the Ninety-first Session of the Governing Body when he said in opening the proceedings: "Victory, when it comes, will be a victory won by all the people; and the peace that is made must be a peace for the peoples—one which has predominantly in mind the needs and hopes of the masses".

*The Conference declares that it is accordingly a responsibility of the International Labour Organisation to scrutinise all international economic and financial policies and measures in the light of this fundamental objective and that in discharging the tasks entrusted to it the International Labour Organisation may consider all relevant economic and financial factors and include in its decisions and recommendations any provisions which it considers appropriate.*

This paragraph draws certain conclusions from the principle that social objectives constitute the criterion in the light of which economic and financial policies and measures must henceforth be judged.

The paragraph acknowledges that it is a responsibility of the International Labour Organisation to scrutinise all international economic and financial measures from the social angle. This responsibility was formulated in preliminary terms in the resolution on post-war emergency and reconstruction measures adopted at the New York Conference, which entrusted the Organisation with the duty of giving "authoritative expression to the social objectives confided to it, in the rebuilding of a peaceful world upon the basis of 'improved labour standards, economic advancement and social security'". Its nature and utility were sketched in fuller detail by the Acting Director during the London meeting of the Emergency Committee in April 1942, in the following terms, which met with general approval from the Committee:

. . . It is not possible, in my view, for this Organisation to dissociate itself from a direct and major interest in those economic and financial settlements, because whether those economic and financial settlements are good or bad will very largely determine whether or not this Organisation can secure its social aims.

There is nothing new in that. This Organisation has claimed since the very beginning, although continually with a louder and more determined voice, that it should have its say in international financial and economic settlements.

. . . A theoretical economic solution, however perfect it may be in terms of economic theory, will not work if, because its social consequences have been neglected, it produces so much social unrest that the people who are supposed



to live under it refuse to work it. Equally, you cannot solve your social problems unless you have a world economic and financial system which will make it financially and economically possible to meet the social needs.

. . . It is of the greatest importance that if sane economic policies can be elaborated or discovered, and if Governments can be brought to agree to apply them, this Organisation should put the whole weight of its prestige, influence, and support, behind them; because here again we have the experience of the last twenty years, which shows that you can get agreement and you can get those principles laid down and accepted, but you do not always get them applied, or you get them applied for six or eight months or a year and then something happens which makes their application more difficult and the Governments recede from them, and you are back again where you started.

I think that that process happened in the past very largely because it had not been possible to put the weight of organised public opinion, understanding those solutions and realising their value, not only behind them as solutions which ought to be adopted but continuously behind their application. That, in general terms, is both the interest of this Organisation in the economic and financial settlements which may be made and the importance of its relationship to them, in the sense that if world public opinion does not prop them up, then, although they may be built up, they may within a short time fall down.

. . . I therefore conceive of our function in this way, that we should leave the economists and the financial experts full freedom to elaborate the best proposals they can, but that it should be the function of this Organisation then to scrutinise those proposals at the stage at which they then are and to attempt to consider what would be their social consequences.

. . . All these financial and economic proposals would be scrutinised by the International Labour Organisation in order to see whether any of them are of such a character as to run counter to the social effort of this Organisation. That is the negative aspect of it.

From the positive aspect, they should be scrutinised to see whether they are proposals of a kind which will give the maximum opportunity for seeking the fulfilment of our social aims, and whether the Governing Body or the Emergency Committee would have any suggestions to make as to how they could be improved, such suggestions to be considered by the competent authorities. Then, if those proposals should go forward, say to the peace conference or to the reconstruction conference or to the Governments for action, or to the United Nations, they would go forward also from the International Labour Organisation with the backing of this Organisation, and with the promise that this Organisation would secure for them in its own interest and in the interest of the workers, and in the interest of securing those social improvements which we all desire, all the support possible so that not only should they be put into effective application but that application should be sustained through those difficulties which will certainly arise, and which will lead to the danger of Governments receding from the kind of policy which they may originally have adopted.

Particularly emphatic support for this policy was expressed by the representative of the United States Government, Mr. Carter Goodrich, who quoted a passage from his instructions stating that "It is of particular importance that the International Labour Organisation, representing labour and industry as well as the Governments of many nations, be in a position to give its informed

and considered opinion on the social and economic principles and measures which should be embodied in the post-war settlement, particularly as they bear on the attainment of full employment and a rising standard of living", and described "as the central principle of the New York Conference" that "the I.L.O. must be equipped to state its position in the economic field". The value of such scrutiny by the Organisation of international economic and financial policies and measures was also generally acknowledged at the 91st Session of the Governing Body, in the course of which the British Foreign Secretary, Mr. Anthony Eden, addressing the Governing Body, reaffirmed an earlier statement that he would like to see the I.L.O. become the main international instrument for giving effect to Article 5 of the Atlantic Charter and said "Your Organisation will no doubt scrutinise plans for economic and financial reconstruction from the point of view of the social objectives at which you aim, and in doing this you will help to make sure that we steadily pursue the road which the United Nations have chosen to travel".

By discharging this responsibility the International Labour Organisation can, it is believed, make a major contribution to the solution of the complex problems of the years which lie before us. For a generation or more to come the repercussions of the two world wars will constitute a dominant element in the preoccupations of social and economic statesmanship. Policies as far-reaching as will be required to deal with problems of readjustment on the scale of those arising from the war cannot be effectively implemented by governmental action over substantial periods unless they enjoy the considered and sustained support of a preponderance of the organised social forces in the community. Difficulties are bound to arise in implementing any such policies, and Governments will be spurred to overcome such difficulties rather than to recede from policies based on long-range views only if there is a widespread conviction on the part of workers and employers that the policies being pursued have been wisely framed and are directed towards a social objective which justifies such immediate sacrifices of vested or other limited interests as may be necessary. This conviction will exist only if high economic policy and strategy is formulated with due regard to the views of responsible representatives of workers and employers and is regularly interpreted to, and exposed to criticism by, such responsible representatives as the process of formulating it proceeds. It will quickly be dissipated unless the social objectives which have been formulated in general terms are given a precision which inspires confidence in both the sincerity with which they have been advocated and the practic-

ability of the methods whereby it is proposed to attain them. The world is weary of vague pledges of new orders. Rightly and properly the public demand today is for concrete plans for human betterment. By scrutinising economic and financial policies as they develop the International Labour Organisation can add its weight to the endeavour to ensure that the policies adopted by Governments deserve the public support without which they cannot be made effective over long periods, and that policies deserving such support do not fail to receive it through any inadequate explanation of their origins and purpose to organised labour and organised management.

The proposed paragraph also acknowledges that in discharging the tasks entrusted to it the International Labour Organisation may consider all relevant economic and financial factors and include in its decisions and recommendations any provisions which it considers appropriate. It was suggested by the workers' group during the 91st Session of the Governing Body that the Constitution of the Organisation should be amended with a view to affirming its competence to deal with economic questions, but as no new principle is involved, and the Constitution of the Organisation establishes a framework through which its Members can co-operate in respect of economic questions to the fullest extent to which they are prepared to accept the Organisation as an appropriate instrument for the purpose, it would seem unnecessary to amend the Constitution for this purpose. The inclusion of a reference to the matter in the proposed declaration would be sufficient to remove any misunderstanding on the subject. The Organisation has frequently reviewed economic and financial factors when discharging tasks entrusted to it, and it has on a number of occasions included provisions relating to economic and financial matters in its decisions and recommendations, notably in the series of resolutions on economic policy which it adopted during the depression and in the Public Works (National Planning) Recommendation, 1937, which includes provisions concerning financial policy. There was a general consensus of opinion at the New York Conference that the Organisation must be concerned with the economic foundations of social policy to a greater extent in the future than in the past, and the inclusion of a reference to the subject in the proposed declaration will serve to emphasise that there are no fixed or rigid limits to the competence of the Organisation but that it is in a position to assume without constitutional difficulty whatever responsibilities in the economic field it may be appropriate to entrust to it from time to time.

*Among the matters to which urgent attention should be given by the International Labour Organisation, the Conference attaches special importance to the following:*

At this point the proposed text proceeds to indicate the main great fields of policy which are of special concern to the Organisation and should receive its urgent attention with a view to the attainment of the general purposes indicated in the earlier paragraphs.

In attempting to indicate these fields of action, the Office has been guided primarily by the consideration that a declaration of the aims and purposes of the Organisation should embody broad principles of long-term importance which are generally acceptable to all elements in the Organisation. Such a declaration will be essentially a pledge that the policies of the Organisation and of its Members will be consistently directed over a period of years towards the attainment of certain ends. Such a pledge can be fulfilled through the changes of circumstance which are bound to be of unusually frequent occurrence during a period of profound uncertainties only if it expresses the fixed resolve of all elements in the Organisation. It must therefore be expressed in the broadest terms and while unequivocal in character must necessarily avoid detail and be confined to matters in respect of which there is likely to be general agreement within the Organisation.

On the basis of the above criteria it is suggested that the first question which should be mentioned in the list is:

*The maintenance of full employment and raising of standards of living.*

Among the immediate objectives of social and economic policy that of full employment has increasingly assumed the central place. During two world wars the highly industrialised States have achieved full employment as a means of maximising their armed strength. These supreme efforts called forth by crises of national survival have not been matched by any continuity of policy designed to remove the occasion for such efforts. Throughout the inter-war period unemployment was the major social curse of the highly industrialised States. In January 1933, the date of the assumption of power by the Nazi régime in Germany, the volume of unemployment in that country exceeded 6 million persons. Over 13 million were unemployed at the same time in the United States, almost 2½ million in Great Britain, almost 1¼ million in Italy, and nearly half a million in Japan. In these figures is to be found part of the explanation for the history of the succeeding years. The employment problem which will arise on the morrow of the war will be

on a scale far exceeding any with which we were familiar during the inter-war period. Although no precise estimate of the size of the problem is possible owing to the number of unknown factors in the situation, it is apparent that towards the end of and during the years immediately following the war the reabsorption into civilian pursuits of the vast majority of the millions of men and women serving in the armed forces or engaged in war production will constitute the major task of economic statesmanship. Society will insist on the provision for these men and women of work of social value which will enable them to earn a living for themselves and their dependants and to make a useful contribution to the life of the community. The days in which the State could consider that its duties were discharged if it provided some minimum income for the unemployed through insurance or otherwise have gone forever. The right to subsist, the right not to die of starvation, can no longer be regarded as exhausting the claims of the individual upon the modern State. Men and women will no longer tolerate an organisation of society under which those who are willing and anxious to work are obliged to forfeit their self-respect by remaining idle through the critical years during which we must rebuild our shattered civilisation. No political or economic system which fails to solve the problem of full employment will be acceptable to a world which has learned the potentialities of governmental action during two world wars. The hardy virtues of work, thrift and self-reliance have lost nothing of their old importance, but in the complex industrialised societies of modern times they are utterly inadequate to ensure reasonable opportunities for the individual or the maintenance of decent standards of well-being throughout society. The expression "the right to work" is no doubt an over-simplification of the problems involved, but it states in simple and forceful terms the most elementary of the social claims which modern society is called upon to meet.

In the proposed text the maintenance of full employment is linked with the raising of standards of living. Full employment was secured in Germany at the price of slavery and as a preliminary to conquest. The proposed text is designed to emphasise that the full employment sought by the International Labour Organisation is *full employment for welfare and not full employment for warfare*.

The text is not intended to suggest that the International Labour Organisation can or should assume exclusive (or even, in respect of a number of aspects of the problem, primary) responsibility for the maintenance of full employment and the raising of standards of living.

On the one hand, there are certain political conditions which must be fulfilled in order to make possible the attainment of social ends by economic policies. Economic prosperity and social justice cannot be assured in a world where political strains involve a standing menace of war. The Constitution of the International Labour Organisation rightly affirms that lasting peace "can be established only if it is based upon social justice". It is equally true, and has indeed been consistently maintained by those responsible for directing the policies of the International Labour Organisation that social justice can be attained only on the basis of assured peace. The peace-loving peoples of the world must retain both the power or the will, and must establish and support the necessary machinery, to maintain international public order if they wish to be free to devote their energies to improving the well-being of their homesteads and townships. Without political security, based on the harnessing of power as the servant of welfare, it will be impossible to pursue effectively long-range policies directed towards the maintenance of full employment and a rising standard of living. To spell out this truth with a wealth of detailed illustration would be supererogatory at the height of the second world war.

On the other hand, as is pointed out in the penultimate paragraph of the suggested text of the proposed declaration, a whole series of economic and financial measures, with which the International Labour Organisation should be associated but for which it cannot, and should not attempt to, assume primary responsibility, will be necessary for the maintenance of full employment and the raising of standards of living and an important part of the necessary action can be taken only in the national field.

It is suggested that the reference to the maintenance of full employment and the raising of standards of living should be completed by a reference to:

*The employment of workers in the occupations in which they can have the satisfaction of giving the fullest measure of their skill and attainments and make their greatest contribution to the common well-being and, as a means to the attainment of this end, the provision under adequate guarantees for all concerned of facilities for training and the transfer of labour, including migration for employment and settlement.*

This clause states a further corollary to the conception of full employment, to wit that the worker is not fully employed unless he is employed in a manner which enables him to give the fullest measure of his skill and attainments and make his greatest contribution to the common well-being.

The clause also recognises the importance which the mobility of

skills has assumed in a period of rapid technological development, and the key significance of the human factor in all plans to promote greater mobility of labour. This problem is to be considered at the present Session of the Conference, as a problem of the transition from war to peace, under Item III of the Agenda, and suggestions for further consideration of the subject by the Organisation are outlined in Chapter III.

The clause also refers to migration for employment and for settlement under adequate guarantees for all concerned, subjects which were dealt with by the Organisation throughout the inter-war period, were particularly intensive during the years immediately preceding the war and have an important bearing on the problem of full employment.

*The application of policies in regard to wages and earnings, hours and other conditions of work calculated to ensure a just share of the fruits of progress to all, and the assurance of a minimum living wage to all in need of such protection.*

This clause refers to a broad field of action with which the Conference is specially familiar, since it embraces a particularly important part of the work accomplished by the Organisation during the inter-war period. Working conditions will continue to be a major preoccupation of the International Labour Organisation in the future, and the innumerable subdivisions of the subject will come before the Conference as occasion may require in the future as in the past.

The clause is not limited to wage earners, but includes salaried employees and independent workers.

The criterion that a just share of the fruits of progress should be ensured to the worker is that which was adopted by the Conference during the thirties when discussing the reduction of hours of work.

No attempt is made to specify in the declaration any particular level of hours, as experience has shown that under present conditions of technological development any figure is likely to become rapidly out of date in the industries with the most modern technical equipment, while remaining an objective for future effort in industries which are technically less advanced. It therefore appears preferable to state the general principle that the worker is entitled to his just share of the fruits of progress rather than to endeavour to prescribe a limit of hours.

The clause applies the same principle to wages and earnings, and to other conditions of work, and recognises the need for a minimum living wage for those too weak to secure it for themselves by such methods as collective bargaining.

*The effective recognition of the right of collective bargaining, the co-operation of management and labour in the continuous improvement of productive efficiency, and the collaboration of workers and employers in the initiation and application of social and economic measures.*

The significance of the right of collective bargaining is stated in a current publication of the International Labour Office<sup>1</sup> in the following terms:

The right to organise democratically without interference by employers and to bargain collectively through representatives of his own choosing are essentials without which, in an industrialised society, the worker is at an impossible disadvantage and the orderly development of satisfactory industrial relations unattainable. In large-scale industry wages and other conditions of work are normally governed by either collective agreement or some form of State regulation, and the method of collective agreement permits of greater flexibility, readier adaptation to changing needs, and more industrial self-government than that of legislative regulation. Basic standards, the essential character of which is that they are designed to be universal and permanent, are rarely adequately established by collective agreements; such agreements must therefore be regarded as supplementary to and not a substitute for basic labour legislation, but subject to this limitation they constitute one of the main instruments for implementing in the relations between employer and employee the objectives set forth above.<sup>1</sup>

The clause also refers to the importance of the co-operation of management and labour in the continuous improvement of productive efficiency, a matter in respect of which there have been far-reaching developments in certain countries during the war which augur well for the future if they can be maintained as a foundation for further progress in the post-war years.

It concludes with a reference to the wider responsibilities which the trade unions, and the corresponding organisations of employers, have been called upon to discharge increasingly in modern times and especially during the war—responsibilities which include advising in the preparation of social legislation, participating in its administration, collaborating in the formulation and execution of economic policies, and sharing in the organisation of national defence. As was said in *The I.L.O. and Reconstruction*,

Industrial associations of employers and workers have now become an integral part of the structure of the modern democratic State. . . . It is now recognised that social and economic problems cannot be considered or dealt with in isolation. If the social objective is to be the fundamental element of policy, the association of employers' and workers' organisations with all phases of the initiation and application of economic and social policy becomes not only desirable but indeed indispensable.

<sup>1</sup> INTERNATIONAL LABOUR OFFICE: *Constitutional Provisions concerning Social and Economic Policy* (Montreal, 1944), pp. xvi-xvii.



Suggestions for further consideration by the International Labour Organisation of collective bargaining and related subjects are contained in Chapter III of this Report and the possibility of more extensive recourse to collective agreements as a method of application of international labour Conventions is discussed in Chapter IV.

*The extension to the whole population of social security measures providing a basic income in case of inability to work or to obtain work, and providing comprehensive medical care.*

This clause states the basic principle underlying current social security plans. Proposals for the progressive implementation of this principle are being submitted to the present Session of the Conference under Item IV of the Agenda.

*The provision of adequate protection for the life and health of workers in all occupations.*

This clause recognises the importance of an adequate programme of industrial health and industrial safety measures. There has been a great increase in public interest in this field in recent years and the International Labour Organisation can do much to promote further progress. Detailed suggestions for action by the Organisation are contained in Chapter III.

*Provision for child welfare and maternity protection, and the provision of adequate nutrition, housing and facilities for recreation and culture.*

Child welfare and maternity protection, with both of which the Organisation has been concerned continuously from the outset, will be of special importance in a period in which it will be necessary to counteract the effects of malnutrition, hardship and neglect during the war and reverse the demographic trends resulting from Nazi policy.

The concern of the Organisation with matters such as nutrition, housing and facilities for recreation and culture has grown out of its experience that labour legislation in the old narrow sense "is only a very partial remedy for the social evils which the International Labour Organisation was created to combat", an experience which, as was recorded by Mr. Harold Butler in his Director's Report for 1938 with the general approval of the Conference, has resulted in a broadening of its outlook till "its horizon embraces all those wider questions which are inherent in the vast problems of stabilising employment and lifting the standard of life to more civilised levels everywhere".

The Organisation has taken an active interest in all of these matters for many years and suggestions for further steps in regard to them are contained in Chapter III of this Report.

*The assurance of equality of educational and vocational opportunity.*

This clause is inspired by the conviction which has been so widely voiced in recent years that "access for the workers' children to education and training independent of the income level of the parents is fundamental to the future efficiency of the democratic State"<sup>1</sup> as well as an inherent right of all its citizens as joint heirs to its heritage of skills and culture.

It would seem desirable that any proposals which may be made for extending this enumeration of broad fields of action should be judged on the basis of the criteria followed in framing the proposals now submitted to the Conference. It cannot be too strongly emphasised that this part of the proposed declaration is not designed as a statement of a complete programme of action for the International Labour Organisation, but as an indication of a number of broad fields of action which, it is reasonable to hope, will be universally recognised to be of outstanding importance and deserving of urgent attention. A more detailed programme of action for the Organisation is outlined in Chapter III of this Report, and questions which are not of the first order of importance or the inclusion of which would involve controversy should, it is suggested, be included in that more detailed programme rather than in the text of the proposed declaration.

*Confident that the fuller and broader utilisation of the world's productive resources necessary for the achievement of the objectives set forth in this Declaration can be secured by effective international and national action, including for example measures to avoid severe economic fluctuations, to maintain consumption at a high level, to ensure the productive investment of all savings, to promote the economic and social advancement of the less developed regions of the world, to assure greater stability in world prices of primary products, and to promote a high and steady volume of international trade, the Conference pledges the full co-operation of the International Labour Organisation with such international bodies as may be entrusted with a share of the responsibility for this great task and for the promotion of the health, education and well-being of all peoples.*

This paragraph recognises that the attainment of the objectives set forth in the proposed declaration presupposes a fuller and broader utilisation of the world's productive resources, but is de-

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<sup>1</sup> INTERNATIONAL LABOUR OFFICE: *The I.L.O. and Reconstruction* (Montreal, 1941), p. 101.

signed to express a sober confidence that this condition can be fulfilled by vigorous and effectively co-ordinated international and national action.

It gives a number of illustrations of the action required for this purpose, but does not attempt any exhaustive survey. The illustrations given are selected from among matters in which the International Labour Organisation has taken a special interest in view of their far-reaching bearing on the attainment of its objectives. The desirability of including any further illustrations which may be proposed should be determined, it is suggested, in the light of the criteria formulated above when discussing the various fields in which the I.L.O. should be active, namely the intrinsic long-range importance of any suggested illustration and the probability of its being acceptable to all elements in the Conference.

In regard to the majority of the matters mentioned, other international organisations are likely to have the primary responsibility for the necessary international action, and the paragraph therefore concludes by pledging the co-operation of the Organisation with such international bodies as may be entrusted with a share of the responsibility for taking such action. It also includes a pledge that the International Labour Organisation will co-operate with such international bodies as may be established to promote the health, education and well-being of all peoples. The methods by which such co-operation can be made effective and the part which the International Labour Organisation is equipped to play in relation to other international bodies are discussed at greater length in the following chapter.

*The Conference affirms that the principles set forth in this Declaration are fully applicable to all peoples everywhere and that while the manner of their application must be determined with due regard to the stage of social and economic development reached by each people, their progressive application to peoples who are still dependent, as well as to those who have already achieved self-government, is a matter of concern to the whole civilised world.*

This paragraph affirms the universality of application of the principles set forth in the declaration; it recognises, as Article 41 of the Constitution of the Organisation recognised, the relativity of standards and inevitability of gradualness in a world where variations of social and economic development are so great; but it affirms plainly that the progressive application of the principles enunciated is a matter of concern to the whole civilised world.

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The tasks which are indicated in the proposed declaration as the responsibility of tomorrow, a responsibility in which the International Labour Organisation will have an important share, are of a magnitude which might well lead the stoutest hearts to hesitate and quail. The assets of which we dispose for the tasks of reconstruction are, however, as unparalleled as the destruction which we have to repair. On the material side alone the stimulus to development given by the war can be made to compensate for all that has been destroyed. The expansion of the metal, the engineering and above all the machine tool industries during the war will, if wise policies are pursued, prove an asset and not a liability. These industries form the foundation of the whole industrial system and the strengthening of that foundation should greatly facilitate the development of industry and the promotion of higher standards of life throughout the world. The acquisition of new skills by labour should also facilitate the growth of new industries and the development of old; the number of persons in all parts of the world who have acquired a mechanical sense will have been enormously increased and a much larger proportion of the total labour force will have mastered more than one skill. The war will have enormously accelerated inventive processes; many new materials will have reached the stage of large-scale manufacture; the machinery in certain industries will have been modernised and greatly improved; the organisation of many concerns and of whole industries will have been remodelled and costs reduced. In terms of technical and social evolution the war has telescoped years into months and generations into years. Aviation, radiolocation and television; light metals and plastics; prefabrication and dehydration; these are but the precursors of a new age which will add to the world's wealth and welfare as coal and steel and the steam engine and electricity and internal combustion added to it in the past. Nor is the scale of the destruction which has been caused, the complete disruption of the world economic system wrecked by the two wars and the depression, and the progressive extension of the danger zones to hitherto sheltered parts of the earth, without substantial compensating advantages. Today we must rebuild because we can do no other. We cannot be led astray by any mirage of good old days because most of us cannot remember any period within our lifetime to which we would willingly return. Our unprecedented natural resources may therefore prove to be the least of our assets of reconstruction value. The victory of freedom can be made the occasion for releasing moral energies capable of triumphing over privation and fatigue, over bewilderment and despair. If unity of purpose can be achieved and maintained, if self-discipline and

vision continue to govern policy when victory is won, the civilisation of the ages may yet go forward to build on the basis of the four freedoms a century of unparalleled progress throughout the world.

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It remains to consider how the provisions of the suggested declaration could be given the character of a solemn commitment by the Members of the Organisation. As the declaration is essentially a pledge to pursue certain policies and a recognition of the part to be played by the International Labour Organisation in the application of those policies, rather than an instrument stating obligations capable of precise legal definition, the ratification of a treaty would not appear to be indispensable for the purpose of constituting the desired commitment, but the terms of the declaration might appropriately, if a suitable opportunity should arise, be incorporated in some appropriate form in any general peace settlement which may be negotiated.

There is also another method of giving the proposed declaration the character of a particularly solemn commitment which might be followed in certain countries. It is pointed out in the Introduction to the volume of *Constitutional Provisions concerning Social and Economic Policy* recently issued by the International Labour Office that it has become increasingly common in modern times for national constitutional instruments to formulate certain objectives of social and economic policy, and that during the period immediately following the war a considerable number of countries are likely to adopt new national constitutions or revise their existing constitutions. There may therefore be a considerable number of opportunities, in countries in which such action would be consistent with national traditions, of expressing in national constitutional instruments approval of the principles set forth in the proposed declaration or even of incorporating in such instruments the text of the declaration or some appropriate modification of its terms. In the volume mentioned it is pointed out that political institutions must always be "built upon political, economic and social realities in the country concerned, including its traditions and national character" and that "there can therefore be no model constitution valid for all countries or for all periods in the evolution of any one country", but it is suggested that—

while the structure of institutions must necessarily vary greatly from one country to another, and from one period to another, it is not unreasonable to hope that certain broad principles of social and economic policy, and the basic indi-

vidual freedoms, which the Atlantic Charter so rightly links with freedom from fear and want, can become almost common form provisions of national constitutions

and thereby contribute to moulding the forces which will determine long-range policies. The possibility of formulating national constitutional provisions enunciating principles of social and economic policy in the light of the terms of the suggested declaration would therefore appear to be worthy of consideration in countries where the question may arise.

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# PROPOSED TEXTS

## I

### PROPOSED DECLARATION CONCERNING THE AIMS AND PURPOSES OF THE INTERNATIONAL LABOUR ORGANISATION

The General Conference of the International Labour Organisation, meeting in its Twenty-sixth Session in Philadelphia, hereby adopts, this                      day of                      in the year nineteen hundred and forty-four, the present Declaration of the aims and purposes of the International Labour Organisation and of the principles which should inspire the policy of its Members.

The Conference reaffirms the fundamental principles on which the Organisation is based and, in particular, that labour is not a commodity; that freedom of expression and of association are essential to sustained progress; that poverty anywhere constitutes a danger to prosperity everywhere, and that accordingly the war against want, while it requires to be carried on with unrelenting vigour within each nation, equally requires continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of Governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.

Believing that experience has fully demonstrated the truth of the statement in the Preamble to the Constitution of the International Labour Organisation that lasting peace can be established only if it is based on social justice, the Conference affirms that all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity, that the attainment of the conditions in which this shall be possible must constitute the central aim of national and international policy, and that all policies and measures, in particular those of an economic and financial character, must be judged in this light and accepted only in so far as they may be held to promote and not to hinder the achievement of this fundamental objective.

The Conference declares that it is accordingly a responsibility of the International Labour Organisation to scrutinise all international economic and financial policies and measures in the light of this fundamental objective and that in discharging the tasks entrusted to it the International Labour Organisation may consider all relevant economic and financial factors and include in its decisions and recommendations any provisions which it considers appropriate.

Among the matters to which urgent attention should be given by the International Labour Organisation, the Conference attaches special importance to the following:

The maintenance of full employment and the raising of standards of living;

The employment of workers in the occupations in which they can have the satisfaction of giving the fullest measure of their skill and attainments and make their greatest contribution to the common well-being and, as a means to the attainment of this end, the provision under adequate guarantees for all concerned of facilities for training and the transfer of labour, including migration for employment and settlement;

The application of policies in regard to wages and earnings, hours and other conditions of work calculated to ensure a just share of the fruits of progress to all, and the assurance of a minimum living wage to all in need of such protection;

The effective recognition of the right of collective bargaining, the co-operation of management and labour in the continuous improvement of productive efficiency, and the collaboration of workers and employers in the initiation and application of social and economic measures;

The extension to the whole population of social security measures providing a basic income in case of inability to work or to obtain work, and providing comprehensive medical care;

The provision of adequate protection for the life and health of workers in all occupations;

Provision for child welfare and maternity protection, and the provision of adequate nutrition, housing and facilities for recreation and culture;

The assurance of equality of educational and vocational opportunity.

Confident that the fuller and broader utilisation of the world's productive resources necessary for the achievement of the objectives set forth in this Declaration can be secured by effective international and national action, including for example measures to avoid severe economic fluctuations, to maintain consumption at a high level, to ensure the productive investment of all savings, to promote the economic and social advancement of the less developed regions of the world, to assure greater stability in world prices of primary products, and to promote a high and steady volume of international trade, the Conference pledges the full co-operation of the International Labour Organisation with such international bodies as may be entrusted with a share of the responsibility for this great task and for the promotion of the health, education and well-being of all peoples.

The Conference affirms that the principles set forth in this Declaration are fully applicable to all peoples everywhere and that, while the manner of their application must be determined with due regard to the stage of social and economic development reached by each people, their progressive application to peoples who are still dependent, as well as to those who have already achieved self-government, is a matter of concern to the whole civilised world.

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