

CONSEIL DE L'ATLANTIQUE NORD NORTH ATLANTIC COUNCIL

EXEMPLAIRE		
COPY	N۳	

NATO SECRET DOCUMENT AC/36-D/35 189

ORIGINAL: ENGLISH 30th October, 1954

WORKING GROUP ON LABOUR MOBILITY

REVIEW OF TRENDS IN EMPLOYMENT, LABOUR MOBILITY, AND MIGRATION, AND ACTION TAKEN BY MEMBER GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS

Note by the Acting Secretary

At its meeting on 25th November, 1953(1), the Council approved that the Secretariat should review the trends in employment, labour mobility and migration, and action taken by member governments and international organizations; and that this review should be submitted from time to time for consideration by the Working Group before submission to the Council.

2. In compliance with this decision, the Secretariat invited delegations to submit any existing information subsequent to that already submitted during 1953 on developments in the fields of employment, labour mobility and migration.

3. On receipt of supplementary notes(2) from the Delegations of Belgium, Canada, France, Greece, Italy, Luxembourg, the Netherlands, Norway, the United Kingdom and the United States, and having collated information on the activities of other international organizations in these fields, the Secretariat has prepared the attached review which the Working Group on Labour Mobility will be considering at its next meeting on 25th November, 1954.

(Signed) P. ANNINOS

Palais de Chaillot, Paris, XVIe.

REVIEW OF TRENDS IN EMPLOYMENT. LABOUR MOBILITY AND MIGRATION AND THE ACTIONS TAKEN BY MEMBER GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS

I. INTRODUCTION

1. As the questions of employment, labour mobility and migration are closely linked to the general economic situation of the member countries, short economic surveys have been integrated into the report.

II. OUTLINE OF TRENDS IN NATO COUNTRIES OF ECONOMIC SITUATION. EMPLOYMENT AND MIGRATION

A. Economic Trends

2. Industrial production which re-established its upward trend in most European NATO countries during the latter half of 1953 has continued to rise during the first two quarters of 1954. The index of industrial production for the European NATO countries combined in the first half of 1954 shows an increase of about 8/0 (8.5% including Germany) compared to that of one year earlier. While the expansion during 1953 was most pronounced in the consumer goods industries, which were those most affected by the 1952 recession, production in both consumer and producer goods industries increased in most countries at about the same rate during the first half of 1954.

3. This development has taken place in spite of the fact that the United States and Canada have experienced a mild recession during the same period(1). Part of the explanation for the rather unexpected insensitivity of the Western European economies to the recession in the United States is undoubtedly to be found in the relative stability of domestic prices in that country. It has thus been possible to keep up and even increase the dollar earnings of the European NATO countries. There are now signs that the downward movement in the United States and Canada is coming to a halt.

4. An important factor in the recovery of Western European production is the increase in demand in most parts of the world since 1952, which has given a powerful stimulus to extra-European exports. The volume of these exports in 1953 again reached the high level of 1951 and has since increased further. In most countries, increased private consumer demand is the most important internal factor in the recovery.

5. As a general rule, wholesale prices have remained practically stable in all NATO countries during the first half of 1954. Retail prices on the other hand are rising slightly in most countries as a result of the pressure from wage increases. As substantial new wage increases have recently been agreed in some countries, the rise in the cost of living might be expected to continue.

6. The balance of payments position of many NATO countries has improved in the last year and for others the position remains

(1) see also paragraphs 16-17 and 57-58

-2-

NATO SECRET AC/36-D/35

strong in spite of a slight decrease in the export surplus. The balance of payments position of Denmark(1), Greece(2), and Turkey(3) is, however, vulnerable, and the two latter countries at present experience serious payments crises.

-3-

B. Trends in Employment

ł

7. As mentioned in the last report to the Council from the Working Group on Labour Mobility (C-M(53)155), unerployment in the first months of 1953 was higher than in the previous years in Western Europe. The reason for this was in some cases a particularly large seasonal increase, and in the second half of the year unemployment fell to about the same level as one year before. Available information indicates a further decrease in unemployment in many Western European countries during the first helf of 1954. In some countries, as the United Kingdom and the Netherlands, the decrease has been substantial. In Greece the labour market benefited from the rapid economic expansion following the devaluation of the Drachma in April, 1955, but unemployment continues to represent a serious social problem(4). The increase in total production in Italy was not sharp enough to absorb the natural increase in the labour force, and unemployment continued to increase in the first half of 1954(5). In the United States and Canada unemployment increased rapidly during the last months of 1953(6). Since the beginning of 1954, there has been some decline in unemployment in these countries, but by mid-1954 unemployment is still considerably higher than a year before. Given no worsening of the situation in the United States, the immediate trends in NATO countries seem reasonably favourable.

C. <u>Trends in Migration</u>

8. According to ICEMs report, the total number of emigrants leaving the major countries of emigration where the Committee operates fell from 375,246 in 1951 to 305,401 in 1952 and to 226,886 in 1953. Although these figures include only the following countries: Austria, Germany, Italy, the Netherlands, Greece and Trieste, they might be quoted as indicating a general decline in migration from Europe. In addition to the countries mentioned above, the following European countries are members of ICEM: Belgium, Denmark, France, Luxembourg, Norway, Sweden and Switzerland.

9. Out of the number of emigrants who left the said countries in 1953, 11.063 came from Austria, 49,875 from Germany, 106,582 from Italy, 38,049 from the Netherlands, 9,950 from Greece and 1,367 from Trieste.

D. Individual Member Countries

10. As regards the individual member countries, the following information has been made available to the Secretariat.

-3-

(12) (23) (45) (6)	see	also	paragraph 20	
(2)	see	also	paragraph 26	
(3)	SCO	also	paragraph 51	
(4)	see	also	paragraph 27	
(5)	3 00	also	paragraph 33	
(6)	see	also	paragraphs 17 and 58	

NATO SECRET AC/36-D/35

Belgium

11. Total output in Belgium has been rising during 1954 after a period of stagnation. This expansion is due to an increase in industrial production, particularly in the producer goods sector; agricultural production, however, is expected to stay at the 1953 level. The rise in total output has not been accompanied by any significant increase in prices or wages. In spite of a slightly larger import surplus, the balance of payments position remains strong.

-4-

12. The recovery in industry has led to an increase in productivity and has hardly affected the level of employment. A slight fall in unemployment results mainly from new facilities given to municipalities for the expansion of public works adapted to regional requirements. However, the Government is still concerned about the relatively large number of wholly unemployed (about 4.5% of labour force) and by their location mainly in the Flemish districts.

13. Group immigration of miners fell in 1953 to 3,000 persons. In the coal mining industry, the only one in which the number of foreign workers is known, the foreign labour force totalled 64,961 on 30th December, 1953, as against 70,369 on the 31st December, 1952. This represents a decrease of approximately 5,400 persons, mainly Italians.

14. Immigrants have, however, continued to enter the country individually. In 1952 the excess of arrivals over departures was 13,305.

15. The prospects for mass immigration of foreign workers remain limited.

Canada

16. The first few months of 1954 were notable for a gradual recession but this halted by mid-year. The level of exports is falling and terms of trade have moved against Canada, but the balance of payments position causes no serious concern in view of the high level of reserves and continued capital inflow.

17. Employment fell more than seasonally last winter and rose more than seasonally in June. In January, unemployment was about 5.5% of the civilian labour force, but fell to 4% in May. This decline was particularly noticeable in the durable goods industries and in a smaller degree in the textile industry. By mid-year, 1954, total unemployment still remained at twice the level of the previous year, when it was about 2% of the civilian labour force.

18. The statement of the Canadian immigration policy and of the factors limiting Canada's capacity to absorb immigrants which was given in document AC/36-D/7/2 of 29th May, 1953 (see also document C-M(53)155, Annex A), is still valid.

19. In 1953 almost 169,000 immigrants were admitted to Canada, representing a net increase of 3% over the previous year. It is expected that the 1954 intake will approximate that of 1953. 111,289 immigrants from NATO countries were admitted in 1953 as against 109,435 in 1952.

-4-

Denmark

20. The Danish economy has been expanding at a rapid rate during 1954. This has caused small price increases, a substantial wage increase and a steep rise in imports during the second quarter, with a consequent balance of payments crisis. Government action is being taken to reduce domestic demand and bring the situation under control.

-5-

21. Virtually full employment conditions have existed in Denmark since the beginning of this year, and in some sectors there is a shortage of labour.

22. The issue of labour permits to foreign workers is, to a great extent, dependent upon the employment situation of the profession to which the applicants belong. No mass immigration or admission of groups of foreign workers take place.

France

23. The French economy is now expanding steadily. Prices have remained stable, while wages have increased slightly and there seems at present to be no immediate danger of inflation. The trade deficit has been declining gradually and reserves have increased slightly, thanks mainly to US aid and military expenditures abroad. However, the economy is still very vulnerable because of the inflated price level, heavy state expenditures and the fact that the balance of payments still owes much to external aid in various forms.

24. As a result of this expansion, unemployment and underemployment have declined and France is now approaching full employment. It is expected that the improvement will continue within the framework of the present Government's economic plans.

25. With the exception of a small number of skilled workers, there will be no question of increasing the total labour force, the problem being solely that of achieving sufficient mobility for the absorption of local deficiencies by local surpluses. In stating this, the French authorities have deliberately not taken into consideration the following two problems, which might prove to be serious to France:

- (1) the steady flow of workers from the North African departments;
- (2) the implementation of Article 69(1) (Labour mobility of coal and steel workers in the ECSC countries) of the ECSC Treaty. It is not possible now to foresee what impact the application of Article 69 will have on the employment situation.

Greece

26. The rate of expansion of the Greek economy is slowing down. Thus far in 1954, industrial production has only risen slightly and further increases now depend on new investments. Prices have remained fairly stable since the spring but substantial new wage increases may lead to increased prices later. The balance of payments position remains vulnerable with a considerable dependence on invisibles.

-5-

(1) see also paragraphs 82 and 83

27. The labour market has benefited from the increase in production but the effect seems to have been mainly to reduce under-employment and unemployment remains substantial.

-6-

28. In 1953, 9,950 persons emigrated from Greece as against 5,500 in 1952. The increase was mainly due to increased assistance by ICEM.

Iceland

29. Iceland is engaged in diversifying her economy and reducing her dependence upon fisheries. As a result of the high level of investment and other factors creating extra demand, inflationary pressures do exist, but wages and prices continue to be reasonably stable. The balance of payments is improving slightly but still gives some cause for concern.

30. The new industrial projects which have been started recently, and the military and civil construction are helping to keep up the high rate of employment. Industrial workers are now the largest occupational group, while employment in agriculture and fisheries is steadily decreasing.

31. It is assumed that the situation with regard to migration has not changed since document C-M(53)155 was issued, e.g. there is no need for migration.

Itely

32. The expansion of total output is continuing in 1954, although the rate of increase may not be as high as previously. As prices have remained fairly stable, an increase in real wages has been made possible. In the face of reduced foreign aid the deficit on the balance of payments has been further reduced, as a result of increased exports and offshore payments.

33. In spite of continuing economic expansion, the high level of unemployment remains Italy's most acute problem. About 10, of the total labour force is at present unemployed. The reason for the persistent unsatisfactory situation in the labour market is partly the exceptional growth in working age population and partly the fact that increased production is achieved mainly by reducing underemployment in various sectors of the economy. The Italian Government stresses that emigration is necessary for the solution of this problem. In addition, a long-term programme is being worked out which has as its main aim the absorption of idle factors of production. Shortage of funds for investment may prove a serious obstacle to the realisation of this programme.

34. In 1953, 106,582 persons emigrated from Italy as against 131,372 in 1952.

Luxembourg

35. Despite some economic recovery in the first half of 1954, industrial production has remained below the level of the same period in the previous year. The Luxembourg economy is highly dependent on the development of foreign demand for steel, and the improvement during recent months is a consequence of increased European purchases. However, the Government does not expect any substantial increase in output in the coming years. 36. In spite of the slack in the economy, unemployment has remained negligible. There are even seasonal labour shortages in agriculture and construction, where activity has remained high but these shortages can easily be met by an influx of foreign workers.

-7-

37. The present shortage of skilled labour is being met by regular recruitment from abroad, in which the hiring of Italian workers still dominates.

Netherlands

38. The rapid economic development of the Netherlands continues and a further stimulus to expansion was given by a recent agreement between employers and trade unions about a general wage increase the second within nine months. The surplus on the balance of payments is decreasing, but the substantial gold and exchange reserves are still rising. While wholesale prices have remained fairly stable, cost of living has risen by 6% during the first half of the year.

39. Unemployment has continued to fall and now amounts to less than 2.5% of the total number of wage earners. A shortage of skilled labour is felt in some industries and there is strong pressure for making wage controls more flexible in order to increase further the situation of skilled workers and discourage them from emigrating.

40. Foreign workers are only admitted for employment in those vacancies for which national workers are not available.

41. Information recently published by the Central Statistical Office in Utrecht reveals that the number of emigrants from the Netherlands in 1953 was only 82.5% of the number in 1952, and was even lower than in 1951. The number of persons who emigrated in 1953 was 67,000 as compared with 89,300 during the previous year. The largest group left for Canada (20,600). There was a considerable drop in the number of persons emigrating to Australia (8,500 as compared with 16,300 in 1952), New Zealand and Indonesia.

42. On the other hand, immigration to the Netherlands was 5.3% higher than in 1952. Out of the 35,500 immigrants who entered the Netherlands in 1953, 14,200 were from Indonesia.

43. Net emigration during 1953 totalled 39,500 while during the same year the population for the Netherlands increased by 114,000 persons (the corresponding figures for 1952 were 48,000 and 108,000).

Norway

44. The increase in total output in Norway, which is expected to be about 4% this year, is being accompanied by price rises and an increase in the cost of living. The current account deficit in the balance of payments is expected to improve only slightly in 1954, mainly because of an increase in imports of ships.

45. Unemployment continues very low. Some shortages of skilled workers are reported, mainly in the metal industries.

46. The agreement, concluded in 1954, between Denmark, Finland, Norway and Sweden, constituting a common labour market, opens new possibilities of labour mobility in that area(1).

(1) see also paragraphs 75 and 75

-7-

Portugal

47. Despite some stimulus from an increase in private investment, the rate of increase in output in Portugal this year is very slow. Price stability is expected to continue as resources are available to meet likely increases in demand. The balance of payments situation continues strong and reserves are ample.

NATO SECRET AC/36-D/35

-8-

48. No data are available to show the fluctuations in the level of unemployment but there are plentiful supplies of manpower and under-employment apparently continues to be a problem.

49. As no new information regarding emigration has been submitted it is assumed that the information given in document C-M(53)155, Annex A, is still valid. After this the Portuguese legislation is elastic, as regards the entry of foreign workers, provided their presence is essential to productive activities.

50. "La Junta de Emigração" is constantly considering the problem of emigration and is responsible for facilities given to would-be emigrants.

Turkey

51. According to the information available, industrial production in Turkey continues to increase this year, but since the crops are expected to be smaller, no rise in total output is likely. The Turkish economy continues to be characterised by an excessive level of demand in relation to resources. The balance of payments has deteriorated owing to worsening terms of trade and a decline in exports. Wholesale and retail prices show an accelerated rising trend which indicates that the internal expansionary forces are inducing inflation.

52. No information is available regarding the employment situation and the problems of migration.

United Kingdom

53. The economy of the United Kingdom is continuing to expand steadily and shows no signs of faltering. Despite slight price increases in recent months, the internal financial situation seems stable. The balance of payments has improved substantially, reserves are rising, and a more liberal trade and payments policy is being progressively adopted.

54. The present total of employed persons is the highest figure on record and unemployment is at an exceptionally low level (1.). There is no immediate sign of a general labour shortage although skilled labour is scarce in certain sectors.

55. Arrangements have been made for facilities for "group recruitment" of foreign workers(1). Since July, 1953, over 1,000 Italian workers have been recruited under these arrangements. Demands for a further 750 Italian workers are in hand.

56. The total number of permits issued to individual foreign workers during the year 1953 was 33,832 and of these 95% related to workers from European NATO countries or other countries of Western Europe. The number of workers actually landing is, however, rather less.

(1) see also paragraph 64

United States

57. The recession in the United States economy seems to have come to a halt and there is now a slight upward movement, though at mid-year total output was still 4% below the previous year. Both wholesale and retail prices are remarkably steady. The effects of the recession on the balance of payments position have been relatively minor since aid and military spending abroad more than fill the gap between the dollar earnings and expenditures of the rest of the world.

-9-

58. Unemployment rose to 5.8% of the civilian labour force in February and March of this year. Since then there has been a slight decline. Total employment in the summer was about one million less than a year before. The drop has been most pronounced in the durable goods sector of manufacturing.

59. The total immigration into the United States amounted in 1953 to 184,324, as against 219,222 in 1952, (according to an ICEM report).

III. ACTION TAKEN BY MEMBER GOVERNMENTS AND OTHER INTERNATIONAL ORGANIZATIONS

Unilateral

France

60. The immigration costs, which are repayable to the National Immigration Office by employers of foreign labour, were reduced from 9,500 francs to 8,500 francs as from 27th March, 1954. This move is calculated to facilitate the employers' conclusion of the contracts required for the admission of foreign workers.

Italy

61. The Ministry of Labour has organized vocational training of young workers. During 1953/54, the courses were attended by 183,000 persons.

62. By means of a special fund for the development of the southern part of Italy and the land reform, it has been possible, in the said part of Italy, to absorb a multitude of workers.

63. A number of domestic measures have been taken in connection with the transfer of the capital and goods of emigrants, the financing of transport and the training of Italian labour, in accordance with the requirements of the receiving countries.

United Kingdom

64. A circular has been issued to all Employment Exchanges in the United Kingdom, setting out in detail the facilities for the "group recruitment" of manpower from abroad. It is too soon to assess the results of this action, but, as indicated above, since July 1953, over 1,000 Italians have been recruited under the "group recruitment" arrangements.

United States

65. The Refugee Relief Act of 1953, authorising the admission, beyond existing quotas, of a total of 209,000 immigrants, mostly from Europe, during the period ending 31st December, 1956, has now come -10-

NATO SECRET AC/36-D/35

into operation. Agreements on the implementation of the Act have been concluded with Austria, Germany, Greece, Italy and the Netherlands. Arrangements have been made with twenty-three voluntary organizations in the United States for contacts with individuals who will give assurances of available employment and housing. 10,000 offers have been received and new offers are arising at the rate of 750 a week. 27,000 applications from persons in the five countries named have been examined.

66. In addition to the over-quota immigration from the countries of over-population, the Act provides for the admission of 10,000 refugees from Soviet-dominated countries who are now resident in NATO countries. Agreements have been concluded with Belgium and France on arrangements for visas for refugees in those countries.

67. The United States have pledged an additional \$1,000,000 towards the operating fund of ICEM.

68. The United States have furnished experts and financial support to the European Productivity Agency with a view of aiding labour mobility within Europe.

Bilateral

Belgium - Italy

69. A new Belgo-Italian protocol on the recruitment of Italian labour for the Belgian mines was signed in Rome on the 5th March, 1954.

<u>France - Italy</u> France - Greece

70. France has concluded recruitment agreements with the Italian and Greek Governments.

France - Netherlands

71. A similar agreement is being negotiated with the Netherlands.

France - High Commissioner for Refugees

72. After an agreement with the High Commissioner, France has admitted 140 refugees from Bulgaria, Yugoslavia and Albania, who had found asylum in Greece.

<u>Greede</u>

73. The Greek Government is negotiating with several countries on agreements for the interchange of industrial and agricultural workers with the aim of retraining Greek workers.

Italy - ILO

74. Pursuant to technical aid agreements between Italy and the ILO, special training courses for instructors in the field of vocational training have been held at Genoa and Naples, with the collaboration of ILO experts. (1) The Italian Government has

(1) See also paragraph 99

concluded agreements on vocational training with other governments and with international organizations.

Multilateral

Denmark - Norway - Sweden and Finland

75. In May, 1954, an agreement was concluded between the above-named countries, according to which these countries will constitute one common labour market. The agreement is expected to have considerable influence on the labour mobility in this area.

76. The major provisions of the agreement are:

- abolishment of labour permits for nationals from other contracting parties;
- (2) the Governments express their intention to maintain full employment;
- (3) constitution of a special Board which will review the development of the common labour market and discuss and make recommendations of measures of common interest.

77. The results of the implementation of the agreement are not yet known to the Secretariat.

International Organizations

Brussels Treaty Organization

78. <u>Exchanges of manpower and employment of foreign</u> workers. A scheme for exchanges of manpower between the five countries by co-operation between their employment services continues to function and is reviewed at regular intervals. Problems of employment of foreign workers are under study, in particular the possibilities of employment for the families of foreign workers. It has been decided to examine the basic principles of the policies on foreign manpower adopted by the Brussels Treaty countries, as well as the ways in which these policies are applied and their results.

79. Exchanges of young workers. A specialist working group has been set up to facilitate exchanges of young workers between the Five. Various practical measures have been adopted to simplify and speed up arrangements for these exchanges.

80. <u>Vocational training</u>. Redular exchanges of information take place between the Five on developments in general policy, organization and finance, training methods and placing.

81. No information is available to the Secretariat about the scope and the results of these activities.

ECSC (European Coal and Steel Community)

82. Article 69 of the Treaty, setting up the Community provides for the removal of the obstacles to movement of labour within the coal and steel industry in the participating countries.

-11-

The High Authority has pressed for the implementation of this article and has suggested several implementing measures to the governments. An inter-governmental conference on the subject took place in May, 1954. The results of the conference are not available at present.

83. The High Authority has prepared a document which supplies the essential features of the available data on manpower: total volume, distribution by regions, structure (by nationality, age, qualification) and replacement of manpower. According to the most recent information, the document will shortly be submitted to a group of experts who will decide what practical conclusions may be drawn from the data and who will assess the difficulties to be overcome.

Council of Europe

84. <u>Special Representative of the Council of Europe for</u> <u>national refugees and overpopulation</u>. M. Pierre Schneiter, former French Minister, was appointed as Special Representative of the Council of Europe as from 1st February, 1954 for a oneyear period. M. Schneiter has consulted various governments and international organizations. It is known that it is his intention to propose setting up financial machinery in Europe to facilitate the settlement of European workers in trans-Atlantic countries, in other European countries or in their own country. It is his point of view that a common European policy on this subject has to be established. His proposals will be submitted to the Committee of Ministers of the Council of Europe within the first six months.

85. <u>International Refugees</u>. On the proposal of the Netherlands, the Committee of Ministers of the Council of Europe has resolved to recommend that the governments of members of the Council of Europe, which are members of the United Nations, should give their support at the General Assembly of the UN, to the High Commissioner's proposal to set up:

- (a) an emergency fund for refugees ("difficult cases")
 (5 million dollars)
- (b) a fund for re-integration of refugees into economic life (12 million dollars)(1)

86. <u>Convention on the reciprocal treatment of nationals</u>. A committee of experts, appointed by the Committee of Ministers, has drafted a convention on the reciprocal treatment of nationals. Article 10 in the draft convention runs:

> "Each Contracting Party shall authorise nationals of the other Parties in its territory to engage in any gainful occupation on an equal footing with its own nationals, unless the said Contracting Party has cogent economic or social reasons for withholding the authorisation. This provision shall apply but not be limited to industrial, commercial, financial, agricultural activities, skilled crafts and the professions, whether the person concerned is self-employed or is in the service of an employer."

(1) Sec also paragraphs 114-115

÷

The draft convention is now under study in the Committee of Ministers' Deputies.

-13-

ICEM (Inter-governmental Committee for European Migration)

87. During 1953, the Inter-governmental Committee for European Migration effected a total of 87,501 movements. This was nearly 10,000 higher than the total for 1952, but the target for the year - 120,000 movements - was not achieved, the main reason being that movements during the first six months of the year reflected a general decline in migration and were consequently low. Movements during the second hair or the year were much higher. The favourable developments continued during the first seven months of 1954, with the result that over 72,000 persons were moved with the Committee's assistance. If this rate of movement can be continued, and there is every reason to believe that it can, the target of 118,400 movements during 1954 will be achieved.

88. A further outstanding feature of the second half of 1953 and especially of the first months of 1954 was the increase in movements from those countries, such as Greece and Italy, where the need is greatest. During the first four months of this year, 2,874 persons were assisted to migrate from Greece and 21,060 from Italy, as compared with 4,096 and 20,975 respectively during the whole of 1953. Again there is good reason to believe that this satisfactory development will continue.

89. The results in 1953 and the first months of 1954 were achieved by virtue of new schemes developed under the auspices of the Committee without the help of large programmes which had been taken over from IRO (International Refugee Organization) in 1952 and provided the bulk of the movements in the first half of that year. In 1953/54 the absence of such programmes was offset by substantial increase in movements to Argentina, Canada, Brazil and Venezuela. The so-called Family Reunion Schemes have been particularly successful; families of workers who had previously emigrated - above all families of Italian workers who had emigrated to Latin America - were assisted to join their breadwinners.

90. By 31st July - after three years and six months of existence - the Committee had made the migration of 237,956 persons possible. Out of this number 20,594 came from Austria, 99,363 from Germany, 9,790 from Greece, 64,037 from Italy, 13,008 from the Netherlands, 6,082 from Trieste, 24,582 from other countries. 96,610 of the total were refugees. 29,370 went to Argentina, 45,010 to Australic, 34,245 to Brazil, 60,150 to Canada, 2,620 to Chile, 3,875 to Israel, 49,856 to the United States, 8,258 to Venezuela and 4,572 to other countries.

91. It should be noted that, though the emigration from Europe declined in general in 1953, ICEM was able to increase its movements both proportionally and absolutely. (In 1952, ICEMassisted emigration from Europe represented 24% of the total emigration, in 1953 33%).

92. The various migration services have been of particular assistance to certain governments in connection with the preselection of migrants and their preparation for movements. In Italy, the joint scheme undertaken with the government and the

į.

NATO SECRAS AC/36-D/35

International Labour office for the development of Italian preselection services was completed by the end of 1953 with satisfactory results. After the application of new methods of pre-selection to a programme for the recruitment of urban workers, the rate of rejection of migrants at the final selection stage decreased from 52% to only 4%, whilst the cost of the pre-selection and selection processes fell by some 64%. As a result of the success of this experiment, the service is to be continued for a further period.

93. Efforts have been made to expand training programmes. An experimental programme is being worked out in agreement with the Greek Government for the vocational training of some 400 urban workers destined eventually to emigrate to Brazil. Further plans are also being developed for giving vocational training to prospective migrants in Italy. In view of the demand in immigration countries for skilled workers, this vocational training programme is likely to have increasing importance. Its objective is not so much to create skilled workers from persons totally unskilled but rather to develop and increase the capacity of persons already somi-skilled. It is realised that the migration of one skilled worker may well create opportunities in the immigration country for several unskilled workers.

94. Language training and information services have been continued.

95. The activities of the Committee to promote land sottlements of immigrants in overseas countries have progressed. A land settlement specialist, who has been touring several Latin American countries, has noted considerable interest by the governments concerned. The Committee has been requested to send an expert mission to Chile to survey plans being developed in that country and to assist their completion. Other projects, including the settlement of Italian families in Venezuela and Dutch families in Chile, are likely to be put into operation in the near future.

96. The Constitution of the ICEM which provides a permanont basis for the Committee and to which reference was made in the last report to the Council (C-M(53)155) has on 8th September, 1954, been accepted by eleven of the 24 member gevernments, namely Austria, Australia, Denmark, Canada, Greece, Israel, Italy, The Netherlands, Paraguay, Sueden and Suitzerland. Acceptance by the United States is expected in the immediate future. Four further acceptances are required for the coming into force of the Constitution.

ILO (International Labour Organization)

97. ILO is working closely with the OEEC on manpower problems. ILO has provided experts to undertake an investigation of manpower organization in OEEC countries and has also proposed to the OEEC cortain measures that could contribute to the maximum utilisation of manpower resources and to higher productivity.

98. In the field of vocational training, ILO has worked out, in collaboration with the OEEO, a scheme providing assistance to governments in the training of instructors.

•

99. In Italy, ILO experts have helped in setting up training schools.

-15-

100. ILC is assisting the Duropean Coal and Steel Community in the promotion and extension of vocational training.

101. In the field of migration, the ILU has assisted in training efficials from Italian emigration centres in proselection precedures, so that further and more widespread improvements in the prepertion of workers finally accepted as immigrants might be achieved.

102. The ILO is assisting the Greek Government in framing migration policy and in organizing government emigration services. The ILO awards fellowships to Greek officials, so that they can study migration precedures and operations in various European countries and in Brazil.

<u>OEEC</u> (Organization for Duropean Economic Co-operation)

103. The report to the Council (document C-N(53)155) outlines the decision taken by the ONEC Council in October, 1955, to adopt a Code dealing with the employment of nationals of member countries. The main clause of the decision states that a foreign worker, if a subject of one of the ONEC countries, will be granted a labour permit if it has not been possible for the vacancy concerned to be filled within a period of one or two menths by a suitable national candidate (Portugal and Turkey have not accepted the decision).

164. By means of a system of periodical reports the Organization will be able to watch how this decision is being implemented in the member countries. The questionnaire on the basis of which the first half-yearly reports are to be submitted, covering the period ending 30th June, was issued in April this year. In replying to the questionnaire, countries must state the number of permits granted or refused, and the number and nature of cases in which they have refused permits under some of the special provisions of the Decision. If a country has refused permits for "imperative reasons of national economic policy", it shall state the nature of these reasons. The reports submitted to the Organization in this way will provide member countries with the data required for ensuring a degree of co-ordination of policy in this field.

105. In their replies, referred to in the introduction of the present report, Belgium, Italy and the Netherlands state that they have put the decision into effect in their countries.

106. The replies to the ONIC questionnaire mentioned above, are under consideration in the ONIC, and are to be submitted to an expert committee in November, 1954, whereupon the Manpower Committee of the ONIC will examine the replies and the considerations of the expert committee.

107. The first results of the decision are, therefore, not yet available to the Secretariat; however, according to hearsay, the decision has been put into effect in most ODBC countries, but generally it has not resulted in the grant of more work permits than would otherwise have been the case.

DECLASSIFIED - PUBLIC DISCLOSURE/DECLASSIFIE - MISE EN LECTURE PUBLIQUE DECLASSIFIED - PUBLIC DISCLOSURE / DECLASSIFIE - MISE EN LECTURE PUBLIQUE

-15-

108. The Council Decision has also requested all countries to reconsider their policy immediately with a view to reducing to a minimum the number of years of regular employment which must clapse before foreign workers are freed from employment restrictions. The results of the review undertaken in this connection were to be notified by 30th June, 1954, to the Organization, • which is now studying the communications regarding this matter, which have been received from member governments.

-16-

109. In March, 1954, the OTMC Council decided that the authorities of member countries shall grant to refugees officially recognised as such in another member country at the time when the rules of the Code are applied, the same treatment as to each other's nationals provided that they have the right to return to that country.

110. The OLEC has sent out a questionnaire on future population trends in member countries. On the request of OLEC, the "Centre surppion d'Etudes de Population" (1) has made an analysis of the replies received. The conclusions of this analysis are:

(1) Population in most of the 14 countries, Austria, Belgium Denmark. France, Germany, Iroland, Italy, Euxembourg, Morway, the Netherlands. Portugal, the United Kingdom, Sweden and Switzerland, Will be higher in 1971 than in 1951. Generally speaking, the anticipated rise is from 8 to 10%, according to whether migration is or is not taken into account.

(2) The male population of working are will rise a little faster than the total pupulation: the female population of working are will rise more slowly. In some countries, however, both the male and female population of working age may rise more slowly than the total population.

(3) The pepulation of eld people will rise on the whele more auickly than the total pepulation and the pepulation of working age.

(4) The number of old people per 1,000 persons of working age will rise noticeably, in all countries except Ireland, if, as is highly improbable, emigration comes to an end.

(5) The number of young people for the 14 countries as a whole will be the same in 1971 as in 1951, after rising to a higher level in 1961 than in 1951.

For the different countries taken separately the trend varies greatly; continuous rise, rise followed by a drep, continuous drep.

(6) The number of young people per 1.000 persons of working age will fall between new and 1971 for the 14 countries as a whole; for most of them, this "burden" will be lower in 1971 than in 1951; there are, however, three exceptions, Belgium, France and Nervay, which show an increase in the "burden" of young people.

(1) Mr. Louis Honry of "Le Contre européen d'adudes de Population" made the analysis 111. A group of experts nominated by ONEC is considering the analysis before submitting it to the Manpower Committee.

-17-

112. The OEEC is continuing to deal with other problems in the manpower field; mention may be made of the work on manpower statistics, vocational training and the development and strengthening of employment services in member countries.

<u>UNESCO</u> (United Nations Educational, Scientific and Cultural Organization)

113. <u>Cultural Assimilation of Immigrants</u>. A round-up of the information collected during an enquiry into the cultural assimilation of immigrants, begun in 1951, was made during 1953 and the beginning of 1954, and the result is expected to be published towards the end of this year. This publication will be based, inter alia, on a series of menographs covering the following subjects:

- Study of the cultural assimilation of Italian and German immigrants in Australia, by W.D. Borrie (Australia).
- Study of the cultural assimilation of immigrants in Belgium, by R. Clémens (Belgium) published in 1953.
- Study of the cultural assimilation of Italian immigrants in Brazil, by Manuel Diegues (Brazil).
- Study of the cultural assimilation of certain groups of foreigners in France (Italian and Pelish) by Professor A. Sauvy (France). Published in 1953 under the title "Français et émigrés".
- Study of the cultural assimilation of German inmigrants in Brazil, by Emilio Willems (Brazil).
- Algerian immigration in France, by the Institut national d'études démographiques under the leadership of Professor A. Sauvy.

<u>UNHCR</u> (United Nations High Commissioner for Refugees)

114. The main task of the High Commissioner is to render assistance to international refugees with regard to their legal status. With the assistance of governments and voluntary organizations, notably the Ford Foundation, he has, however, been able to carry out important activities for the promotion of resettlement opportunities and pilot projects for economic integration, thus following the lines of the two main solutions to the problems of refugees.

115. The High Commissioner has elaborated a programme for re-integration of refugees into economic life. The programme includes setting up a fund of 12 million dollars. The programme has been submitted to the United Nations.

-17-

-18-

MATO SECRET AC/36-D/3

IV. FROPOSALS OF GOVERNMENTS

In their replies referred to in the cover page of this document, Greece and Italy have put forward the following proposals:

Greece

•

116. The Greek Government proposes a system of collective retraining of Greek industrial and agriculture workers by sending them for at least one year to the more advanced countries of Western Europe, where they would benefit from the lessons to be learnt by study of the latest technical developments and the most This system could be established modern production methods. through bilateral agreements between Greece and the Western European countries, and the Greek Government is already negotiating with several countries to this end.

Italy 117. Consideration might be given to the creation of a special category of 'NATO workers". These would be workers employed in the armaments industries of member countries; they should be allowed to take up employment in all the NATO countries.

118. Member governments should be recommended to encourage, in other international organisations of which they are members and which deal with manpower problems, the preparation of plans. and programmes to achieve greater mobility of labour.

119. Analysis of statistical returns on the immigration into the United States of nationals of member countries reveals that the quotas have not been completely filled over the last ten years, thus producing considerable shortfalls. During the period 1945-1951, for instance, when 656.475 persons could have been admitted under the quota, barely 203,894 nationals from member countries, entered the United States; there was, therefore, an unused balance of 446.671, that is 71% of the quotas available for this period.

120. In the light of what has already been said, the possibility of examining this question in the Atlantic Council might be considered, with a view to urging the United States Government to set an overall quota for NATO countries as a whole, and thus gradually to absorb all or part of the quota balances left unused by certain countries by allowing in nationals of NATO countries which have exhausted their own quotas.

V. CONCLUSIONS

121. Based on the foregoing, the following conclusions might be drawn:

- The employment situation in the majority of (a)the European member countries has developed satisfactorily, but this does not imply that these countries are able to offer employment to foreign labour to an extent which can remedy the problem of unemployment and under-employment in Greece and Italy. The prospects of freer labour mobility within Europe are, therefore, not good.
- The OEEC Code regarding employment of nationals of other OEEC countries has probably contributed only little to the liberalisation of labour (b) mobility in Europe.

NATO SECRET AC/36-D/35

- (c) Emigration from Europe has steadily decreased in the last few years. The encouraging results obtained by ICEM proves, however, that increased emigration on an organised basis is possible. The implementation of the United States' Refugee Relief Act of 1953 will assist in bringing the decrease to a halt.
- (d) The problem of over-population has not altered, and the prospects of an early solution are not promising. (The analysis of OEEC on population trends shows that the population in Western Europe will increase in the next 17 years.)

The political dangers inherent in this situation still exist to an undiminished degree.

- (e) The two most efficient ways of solving the problem, which can be implemented simultaneously, seem to be:-
 - (i) To bring about an expanded economy in the countries with over-population. This will call for an active general economic policy, the outline of which does not fall within the scope of the present report.

It should, however, be noted that such a policy will call for a better use of labour forces, to be obtained by vocational training of semi-skilled and unskilled labour.

To implement this by the countries concerned themselves might menace their economy, particularly from the standpoint of the defence effort. International action is, therefore, required.

Mr. Schneiter's plans to set up an international finance machinery, the activities of the ILO in the field of vocational training, the Greek proposal for sending Greek workers to more advanced countries for a limited period, the proposal of the United Nations' High Commissioner for the establishment of a fund for re-integration of refugees into economic life, tend all to bring about a solution through an expanded economy.

(ii) To increase the emigration to overseas countries.

The activities of the ICEM have proved that this is best done on an organized basis.

~

Increased contributions to the ICEM, M. Schneiter's above-mentioned plan, increased actions by the ILO in co-operation with governments in the fields of vocational training and pre-selection of would-be emigrants, the Italian proposal that the US Government should adopt a common NATO-immigrantquota instead of national quotas, are all means by which an increased emigration to overseas countries might be achieved.

-

NATO SECRET AC/35-D/36

VI. RECOMMENDATIONS

122. The Working Group might wish to consider the submission of draft recommendations to the Council.

123. The following proposals for recommendations are. therefore, submitted for consideration by the Working Group:

 Member governments should continue to enhance the practical possibilities of the liberalisation of the international movement of labour and of promoting migration by such actions as stated in the annex to document C-M(54)1.

- (2) Member governments should give their moral and financial support as far as possible to projects for an expansion of the economies of the European member countries, oppressed by the problem of over-population, and to achieve an increased emigration to overseas countries.
 - To this offect:

- Member governments, being members of the Council of Europe, should give benevolent consideration to the plans for setting up a financial machinery in Europe to facilitate the settlement of European workers in trans-Atlantic countries. in other European countries or in their own country, which M. Schneiter, Special Representative of the Council of Europe for national refugees and overpopulation, is going to submit to the Committee of Ministers of the Council of Europe.
- (b) Member governments, being members of the United Nations, should, within that organisation, give favourable consideration to the proposals of the High Commissioner for setting up a fund for re-integration of refugees into economic life.
- (c) Member governments, being members of the ILO, should, within that organization, propose and support proposals for an extension of the activities of the ILO in the fields of vocational training and pre-selection of would-be emigrants.
- (d) Member governments should consider the possibility of concluding agreements with member governments so desiring on receiving from the latter, for a limited period, contingents of workers, with a view to making these acquainted with modern technical developments and production methods.
- (c) Member governments, being members of the ICEM, should urge for an extension of the activities of that organization, notably, should increased contributions to the ICEM be made available.

- (f) The United States Government should consider the possibility of adopting a common NATO (or Mestern European) quota of immigrants instead of national quotas.
- (3) The NATO Secretariat should continue to submit from time to time reports on the trends in employment, labour mobility and migration, for consideration by the Working Group before submission to the Council.

٢