

Geneva, October 19th, 1931.

LEAGUE OF NATIONS

**Communications and Transit Organisation**

**CIRCULAR CONCERNING PROGRAMMES OF  
IMPORTANT PUBLIC WORKS**

In its efforts to reduce the extent of the unemployment crisis which is crushing the whole world, especially Europe, the International Labour Office has devoted special attention to public works, national or international, which not only offer technical possibilities and have an economic value, but seem likely in their execution to diminish appreciably the number of unemployed. Last spring, it made hurried enquiries of the Governments interested as to whether they could suggest works of this nature to which there would be none but financial obstacles. Numerous replies were received, and although, owing to the shortness of the time allowed, they were suggestive rather than precise and detailed, they showed that beyond doubt something could be done on those lines. The question was laid before the various Committees of the Commission of Enquiry for European Union, which received it favourably, and on September 24th, 1931, the Assembly of the League adopted the following resolution:

“ The Assembly,

“ Seeing that, among the measures of international solidarity calculated to mitigate the effects of the economic depression and to assist the resumption of activity which would benefit the workers of all countries, consideration should be given to the execution of important public works jointly undertaken by public or private groups on European or extra-European territory;

“ Seeing, further, that the problem has already been approached by the Commission of Enquiry for European Union and has been laid before the competent organs of the League of Nations;

“ In order to expedite the examination of these programmes, to co-ordinate them on an international scale, to hasten their putting into effect and to follow their execution:

“ Invites the Council of the League of Nations to instruct the Committee of Enquiry set up by the Communications and Transit Organisation, to which should be added representatives of the International Labour Office and possibly of the economic and financial organs of the League, to undertake these various tasks.

“ This Committee will examine the concrete proposals of the various Governments, particularly from the point of view of the utility and productivity of the works proposed.

“ It will report to the Council of the League of Nations. The Commission of Enquiry for European Union will be called on to give its opinion on the proposals relating to Europe.”

The Council, having considered this resolution, asked the Chairman of the Advisory and Technical Committee for Communications and Transit to request the Committee of Enquiry on Questions Relating to Public Works and National Technical Equipment, set up by the Transit Committee, to perform the duties contemplated in the resolution.



The Committee of Enquiry met for its constituent session at Geneva on October 14th and 15th, 1931.<sup>1</sup>

If it is to be able to discharge its duties, the Committee must receive from the various Governments interested, in the words of the above resolution, concrete proposals which it will examine particularly from the point of view of the utility and productivity of the works proposed. These proposals should be addressed to the Secretary-General of the League.

To enable the Committee's object to be attained, the economic circumstances of the present time call for as expeditious a procedure as possible, and accordingly these concrete proposals must take the form of schemes which have been sufficiently worked out for the Committee to examine them thoroughly as regards the technical and economic equilibrium of the operations contemplated and their financial possibility.

The detailed schemes which will be laid before the Committee should afford it an accurate idea of the cost of the works proposed by Governments, the number of days' labour that they would require, and the manner in which employment would be spread over a period of time. The Governments were given so little time to reply to the International Labour Office's enquiry that they were unable to furnish it with documents containing the necessary details. The Committee realises this, and trusts that the schemes to be submitted to it will be largely based on the suggestions given in the annex. It is possible that the same work carried out by different methods may involve the employment of different quantities of labour. In all such cases, the different methods in question should be indicated, together with their respective costs. It would be desirable for the latter figures to be supplemented by a statement of the saving in unemployment relief, through the re-employment of the labour required, which would enable the Governments to pay for the work in question.

If the documents laid before the Committee are to answer to the foregoing conditions, the enquiries must clearly be so far advanced that the Governments concerned can make a selection among such schemes as they may have already contemplated, or even enumerated, in answer to the International Labour Office's enquiry. Having regard to the economic circumstances of the present time, the Committee feels that it would be desirable for the Governments' choice to be to a great extent dictated by an estimate of the productivity of the works which should be related to those very economic circumstances. In the Committee's view, works entailing the employment of a very large quantity of labour should not be undertaken (except works of local or exceptional urgency) unless their execution will help to bring about an improvement in the present economic crisis. The Committee therefore does not think it necessary at present to contemplate schemes which would increase the industrial or economic equipment of countries where the equipment already in existence is not fully utilised or sufficiently productive, and it considers it undesirable that fresh capital should be sunk in works which would produce such an effect. On the other hand, undertakings of which the success would bring about, not an increase in means of production, but

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<sup>1</sup> The present composition of the Committee is as follows:

- Dr. F. DORPMÜLLER, Director General of the German Railways, *Chairman*.  
Sir John BROOKE, Electricity Commissioner, London, Member of the Permanent Committee on Electric Questions of the Communications and Transit Organisation.  
M. C. BUTTINI, Chief Engineer in the Italian Civil Engineering Service.  
M. P. G. HÖRNELL, Member of the Swedish Academy of Technical Sciences, late Professor at the Royal Polytechnic at Stockholm.  
M. J. B. VAN DER HOUVEN VAN OORDT, late President of the Netherlands Shipowners' Association.  
M. N. ITO, Deputy Director of the Japanese League of Nations Bureau, Member of the Advisory and Technical Committee for Communications and Transit.  
M. René MAYER, Honorary Master of Requests to the French Council of State, Member of the Permanent Legal Committee of the Communications and Transit Organisation.  
M. M. S. OKECKI, Ministerial Counsellor in the Polish Ministry of Public Works.

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- M. Silvain DREYFUS, Vice-President of the General Council of Bridges and Highways and of the High Council of Public Works of France, Chairman of the Advisory and Technical Committee for Communications and Transit, representing the Committee.

*For the International Labour Organisation.*

- M. G. DE MICHELIS, Member of the Governing Body of the International Labour Office, representative of the Italian Government on this body.  
*Substitute:* His Excellency M. F. SOKAL, Member of the Governing Body of the International Labour Office, representative of the Polish Government on this body.  
M. A. LAMBERT-RIBOT, Member of the Governing Body of the International Labour Office, employers' representative (French) on this body.  
*Substitute:* M. H. VOGEL, Member of the Governing Body of the International Labour Office, employers' representative (German) on this body.  
M. L. JOUHAUX, Member of the Governing Body of the International Labour Office, workers' representative (French) on this body.  
*Substitute:* M. Ch. SCHÜRCH, Member of the Governing Body of the International Labour Office, workers' representative (Swiss) on this body.

a better distribution of manufactured goods or foodstuffs, or a fall in production costs or transport costs, creating new markets or introducing new buyers, seem proper in the present circumstances to be given the foremost place, with the primary object of improving conditions of life in countries where unemployment is particularly serious or whose national equipment is at present insufficiently developed.

The Committee imagines that various Governments may have received from public or private bodies, national or international, schemes for public works which they have not yet been able to carry out. The Committee would be glad to know of any such schemes which may have reached the stage described above, and to have the views of the Governments transmitting them.

The Committee reserves the right, after receiving the proposals of Governments, to ask them for further particulars in writing, and to request them to appoint representatives to furnish the Committee with any additional explanations that may be necessary.

It is highly desirable that the schemes of public works to be laid before the Committee should reach the Secretary-General of the League of Nations as early as possible, and, in any case, so far as concerns schemes of class A in the annex, before December 1st of this year, as the Committee is to meet very shortly afterwards to examine the first schemes received.

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ANNEX.

OUTLINE OF INFORMATION FOR THE FILES RELATING TO SCHEMES OF PUBLIC WORKS TO BE EXECUTED IN THE HOME OR OTHER TERRITORIES OF STATES, TO BE SUBMITTED TO THE TECHNICAL COMMITTEE ON QUESTIONS RELATING TO PUBLIC WORKS AND NATIONAL TECHNICAL EQUIPMENT.

Governments are requested to take into account to a large extent the suggestions given below:

(A) For the works to which the Governments proposal relates, are there any schemes already adopted and including an estimate of the cost?

(B) If not, how soon can schemes for these works be completed or established, as the case may be?

Is it proposed that the Government itself or a public body shall establish or complete the schemes?

Can this work be handed over to a future contractor or concessionaire?

What would be the approximate cost of any investigations that might be required for the establishment of complete schemes?

*A complete scheme should, as a rule, contain:*

1. An explanatory statement.
2. The general technical plans and designs.
3. Estimate and allocation of expenditure which may be met:
  - (a) Out of the national budget;
  - (b) Out of the budgets of public bodies;
  - (c) By an internal or foreign loan.
4. Approximate duration of the work, divided into several stages, if necessary.
5. Probable number of man-days to be worked.
6. Materials, plant to be set up and equipment to be used; also, if necessary, expenditure entailed for housing or board and medical services for the workmen.
7. Cost of maintaining and operating the works.
8. Anticipated productivity of the works and plan of amortisation.
9. Legislative and administrative position as regards the execution of the proposed works: Will the work be executed by the Government or by contract? May a concession be granted? May foreign companies submit tenders? etc.
10. State or other guarantees for the service of the loans.

*General Indications:*

1. State of unemployment in each of the industries concerned in the proposed works, and position as regards unemployment relief in those industries.

Summary of the social legislation in force in the country regarding the regulation of hours of work, social insurance, sick funds, etc., in the same industries.

2. Is it lawful to employ foreign labour and foreign materials or equipment? If so, is it thought that the national labour and equipment available will have to be thus supplemented for the purpose of the work, and to what extent?

3. General remarks.

The Chairman of the Committee of Enquiry on  
Questions relating to Public Works and  
National Technical Equipment:

(Signed) Dr. J. DORPMÜLLER.

The Representative of the Advisory and  
Technical Committee for  
Communications and Transit:

(Signed) Silvain DREYFUS,  
Chairman of the Committee.