



**Resolution 175 (1960)<sup>1</sup>**

## **Reply to the Fourth Report of the Ministerial Committee for Agriculture and Food of OEEC on agricultural policies in Europe and North America**

Parliamentary Assembly

The Assembly,

1. Having taken note of the Fourth Report on agricultural policies in Europe and North America, presented to it by the Ministerial Committee on Agriculture and Food,
2. Expresses its great satisfaction at this communication which has been made for the first time, and expresses to the Ministerial Committee its lively appreciation of this proof of its interest and of its desire to cooperate with the Assembly ;
3. Reaffirms its conviction that the Ministerial Committee is the highest-level European organ and the one possessing the widest competence for dealing with the co-ordination of agricultural policies within the framework of the member countries of "Greater Europe" and that for this reason the Assembly relies on it to submit these policies to the test of parliamentary discussion ;
4. Believes that it is useful to recall the Recommendations which it has adopted in the past and which the Committee of Ministers has referred to O E E C -Recommendations which have not always been the subject of very clear replies. These include the following :  
*Recommendation 135 (1957) on the forestry situation in Europe ;*  
*Recommendation 198 (1959) on European fisheries.*
5. The Assembly expresses the hope that the Ministerial Committee may be able to find solutions in the near future to the problems to which these Recommendations relate ;
6. Wishes to emphasise, with particular reference to the Fourth Report on agricultural policies, the special interest which it attaches to the work of confrontation of agricultural policies, the results of which are set out in this report ;
7. Agrees that the balance of price supports between better quality cereals and coarse grain for animal feeding stuffs should be improved. As regards aids to production and guaranteed markets, the Assembly shares the view of the Ministerial Committee that their use should be limited to the needs of a judicious balance between production and consumption.
8. The Assembly notes with particular interest the Ministerial Committee's recommendations on milk and milk products. In view of the importance of this problem and of the fact that the Assembly has already submitted its own observations to the Ministerial Committee in its [Recommendation 219 \(1959\)](#), it notes with satisfaction that special talks are planned both on any alterations Governments may make in their milk policy and on short-term trends in the international market. In the latter instance the Assembly is glad to note that a list of specific points has already been compiled which will serve as a basis for discussion. The Assembly also

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1. Assembly debate on 27th and 28th April 1960 (5th and 6th Sitings) (see [Docs. 1120](#) Docs. 1120, Fourth Report of the Ministerial Committee for Agriculture and Food of O E E C, and [Doc. 1121](#), Report of the Committee on Agriculture). Text adopted by the Assembly on 28th April 1960 (6th Sitting).



shares the concern of the Ministerial Committee as regards the necessity to stabilise the milk market. It considers that stabilisation should be attained through the increased consumption of milk products both in European and non-European countries and wishes to draw attention to the outlet offered by the existing shortages in under-developed countries. The Assembly regrets, however, that the Ministerial Committee do not consider it at present feasible to lay the foundations of a more formal international agreement to stabilise butter prices, as advocated in [Recommendation 219](#). It considers that this question should remain on the agenda of the Ministerial Committee.

9. With regard to meat, the Assembly reemphasises the need to balance production and markets, paying due regard to the special potentialities of the different countries and general economic conditions.

10. In relation to price supports, the Assembly wishes to emphasise the risks which they involve if they are not accompanied by measures which guarantee sufficient flexibility in their operation. On the other hand, it considers indispensable that the Governments should ensure to efficient agricultural producers a secure income ; price supports would appear to be an effective means of doing so to the extent that they do not amount to automatic protection nor furnish a pretext for the survival of uneconomic holdings.

11. The Assembly considers that the structure of agriculture occupies a pre-eminent place in the planning of the European economy. Indeed, in the majority of countries, the structure of agriculture is one of the principal obstacles which prevents it from keeping pace with the development of other sectors of the economy. The structural problem results principally from the predominance of small-holdings, and this situation is aggravated by the excessive sub-division of land under cultivation and, to mention another factor, by the inadequate professional knowledge.

12. The Assembly notes the measures proposed by the Ministerial Committee to remedy the situation : the re-grouping of farms, an end to their sub-division ; the creation of viable units by additional investment and enlargement of small properties ; the development of training services ; assistance to small farmers by direct grant or credit coupled with guidance to make their farms efficient units ; encouragement of migration ; improvement of marketing methods ; and, finally, the establishment of suitable industries in rural areas.

13. The Assembly, while recognising the value of these measures, considers that it should make two comments thereon. The re-grouping of holdings, which several countries have already undertaken, involves as a consequence a series of problems of a financial, social, political and economic character and can give only satisfactory results over a period of time and in close relation to the general economic development of the country concerned. On the other hand, there seems to be no doubt that structural reform is reflected in increased production. It should therefore be accompanied by an adjustment of production policy.

14. Finally, the Assembly is of the opinion that one of the most important problems posed by the structural reforms suggested is that of the farming population which become redundant. Perhaps the Ministerial Committee will consider it possible to undertake a study of the possibilities of absorption or re-employment of such labour.

15. In conclusion, the Assembly wishes to express to the Ministerial Committee its admiration for the considerable task which it has performed since its creation in seeking to bring about the harmonisation of agricultural policies. The Assembly is confident that this work will result in substantial improvement in the economic situation of the member countries and in helping to establish an equilibrium with other parts of the world.

16. The Assembly hopes that the Secretariat-General will examine with O E E C and in liaison with F A O the means by which the three organisations could be more closely associated in the confrontation and harmonisation of agricultural policies in Europe.