Resolution 277 (1964)[1]

Report of OECD to the Council of Europe, June 1964

Parliamentary Assembly

1. The Assembly,

2. Noting the report of OECD to the Council of Europe prepared for the Consultative Assembly in June 1964 ;

3. Noting that Japan joined OECD on 28th April 1964 ;

4. Considering that the establishment of a lasting relationship with the USA, Canada and Japan compatible with the needs of the modern world is closely linked with the achievement of European unity, politically and economically ;

5. Considering that, in proportion as European unity grows, the role of OECD in defining the economic relations between Europe, the other industrialised countries and the less developed countries will increase ;

6. Welcoming the adoption by the Council of OECD of a Recommendation in which a manpower policy is regarded as an instrument of economic growth, and noting with satisfaction the methods used to put this policy into effect, in particular the studies country by country ;

7. Welcoming the practice of discussing possible solutions to agricultural problems within the general framework of the overall economy with OECD ;

8. Considering that it has an important part to play in pressing for the implementation of the principles of a scientific policy among Governments, national Parliaments and the public at large,

9. Submits for consideration by the Council of OECD the following.

Economic and monetary policy

10. The Assembly :

11. Believes that the consolidation and development of economic and monetary cooperation within the framework of OECD is of vital importance as a means of promoting the partnership of the Atlantic nations and meeting their world economic responsibilities ;

12. Notes with satisfaction that in 1963 growth rates in OECD member countries were on the whole in conformity with the target set in 1961, and that the signs of a slackening of economic activity prevalent a year ago had disappeared, but considers that there is no room for complacency and believes that Governments should formulate national plans based on medium-term forecasts of demand and production developments ;

1. Assembly debate on 11th June 1964 (7th and 8th Sittings) (see Doc. 1736, report of OECD, andDocs. 1772Docs. 1772, report of the Political Committee, Doc. 1779, report of the Economic Committee, Doc. 1775, report of the Social Committee, Doc. 1777 and Doc. 1778, reports of the Cultural and Scientific Committee, and Doc. 1773, report of the Committee on Agriculture, and Doc. 1781, draft Resolution presented by these Committees). Text adopted by the Assembly on 3rd November 1964 (9th Sitting).

13. Notes that several European member countries are experiencing difficulties in combating inflationary pressures and that in practically all of them prices continue to move upwards, expresses concern with regard to the socially and economically undesirable effects of this persistent trend, and believes that more energetic policies than hitherto applied are necessary to arrest it and restore balance, particularly in those countries where price rises have been most marked ;

14. Notes with great interest the conclusions contained in the report on prices, profits and other non-wage incomes within the framework of an incomes policy, but also notes that Governments still appear to be very hesitant with regard to such a policy ; realising that much remains to be done to educate public opinion on this subject - a task it will itself strive to contribute to - the Assembly earnestly hopes that Governments will patiently pursue their co-operation in this field ;

15. Notes with great satisfaction that OECD is conscious of the need to facilitate the reconversion of productive resources which may become necessary as the repercussions of trade and aid policies start to make themselves felt in the form of expansion of trade involving greater imports from the less developed countries ; attaching a very high priority to this activity, earnestly hopes that Governments will develop and implement the appropriate structural re-organisation and re-orientation policies so as to facilitate this development ;

16. Notes with great interest that OECD recognises the importance of scientific research and development as a prime factor in economic growth.

Development assistance

17. The Assembly considers :

18. That it is highly desirable in the interest of world peace that both American and European aid to developing countries, which is still insufficient, should be in-creased in the next few years and, in particular, that Europe's contribution should match its growing economic power ;

19. That the member Governments of OECD, while accepting the Yaoundé Convention of Association between EEC and the African States and Madagascar, should jointly examine all measures which could give manufactured, semi-manufactured, and mineral and agricultural primary products from the developing countries easier access to their national markets ; further, that the Governments should envisage, with a view to a better division of work in the world, the adjustment, in their home countries, of certain industries of a kind which could be established more economically in the developing countries ;

20. That the Development Assistance Committee should make proposals concerning the measures needed to harmonise the terms of aid in such a way that they are not too heavy on the recipient countries and do not differ unduly as between the assisting countries ; and that it should try and find a solution to the problem of the excessive indebtedness of developing countries ;

21. That the member Governments of OECD should agree to introduce a more systematic supervision of aid and, in particular, give a group of experts the task of scrutinising the effectiveness with which the money provided for technical assistance and other forms of aid is spent ;

22. That the member Governments of OECD should support the proposal made at the United Nations Conference on Trade and Development that the Conference should hold meetings every three years to compare the views of the industrial countries with those of the developing countries.

Agriculture

23. The Assembly is concerned at the fact that certain developments in the agricultural sector have continued to add to the difficulties encountered in achieving a higher degree of international economic co-operation in Europe as well as in the GATT negotiations ; it hopes that the tendency towards a closer integration of OECD's work in the agricultural sphere with the Organisation's activities concerning economic stability and growth may continue and be strengthened, believing that an alignment of agricultural and general economic policies is indispensable if the difficulties referred to above are to be resolved.

24. The Assembly welcomes the Study of Low Incomes in Agriculture which goes to the heart of the agricultural problem ; it strongly endorses the findings of this study and urges Governments to commit themselves to taking the appropriate action to carry out its policy implications ; it stresses the need for a phased programme for completion of structural improvements and manpower reduction.

25. Noting with concern the inadequacy of many agricultural statistics, both as regards farming incomes and labour force, the Assembly urges Governments to make improvements in this field ; inter alia such improvements should be on a readily comparable basis and enable Governments, in determining their agricultural policies, to give fuller consideration to the fact that many farmers derive part of their income from other sources than agriculture, and should make it easier for Governments to formulate a comprehensive policy relating farm types and sizes to farm incomes.

26. The Assembly welcomes OECD's programme of work which gives priority to studies and activities which have an immediate connection with the Study on Low Incomes ; it also attaches great importance to the envisaged studies on production, demand, trade, incomes and population and to the Organisation's activities in the field of marketing and education, as well as to the regular consultations on trade practices.

27. It once more stresses the importance of an adequate and vigorous information and education policy concerning changes in agricultural structures and their effects on agricultural employment and per capita income.

28. The Assembly resolves to use its best endeavours to spread the new thinking reflected in the Study of Low Incomes with a view to changing the restrictive attitudes still prevailing in many quarters.

29. The Assembly also welcomes OECD's work on fishing matters ; it recalls its Resolution 263 in support of the London Fisheries Conference, transmitted to OECD for information, and expresses its desire that OECD may be associated as closely as possible with the work of this Conference.

Social policy

30. The Assembly :

31. Hopes that the increase in the membership of the Organisation, which now includes almost all of the industrial countries of the free world, may be profitable to all Contracting Parties, and that special attention may be given to the social problems of the less privileged countries of Europe ;

32. Is of the opinion that efforts should be made :

a. To facilitate, with due respect for their freedom, the geographical and occupational mobility of workers in member countries of OECD, and in European countries in particular ;

b. To harmonise, at least within Europe, the legal, administrative and financial measures taken in individual countries to promote an active manpower policy ;

c. To bring the emigration policy of countries whose manpower cannot at present be integrated into the economy into line with their policy for a balanced society, by devising measures to provide :

either vocational training for foreign manpower,

or the removal of industries to regions possessing a manpower potential. This could be accomplished in collaboration with the Special Representative of the Council of Europe for National Refugees and Over-Population.

Scientific policy

33. The Assembly :

34. Congratulates OECD on its efforts to define the principles of a policy for science, both national and international ;

35. Emphasises that such a policy must not be prompted solely by utilitarian and economic reasons, but must give due consideration to the needs of free and disinterested research, the humanities and social sciences ;

36. Regards the 2nd Parliamentary and Scientific Conference, jointly organised by the Council of Europe and OECD, as the type of event best fitted to serve this cause, and undertakes to contribute towards implementing the Recommendations of the said Conference.