Parliamentary Assembly
Assemblée parlementaire
https://pace.coe.int

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Resolution 737 (1980)[1]

Reply to the report on the activities of the Organisation for Economic Co-operation and Development (OECD) in 1979

Parliamentary Assembly

The Assembly,

1. Having taken note of the report on the activities of the Organisation for Economic Co-operation and Development (OECD) in 1979 (Doc. 4557), of the report of its Committee on Economic Affairs and Development (Doc. 4592), and of the contributions by its Committee on Science and Technology, its Committee on Regional Planning and Local Authorities (Doc. 4596), its Committee on Agriculture (Doc. 4593), and its Committee on Culture and Education (Doc. 4603) ;

Economic and energy questions

2. Considering that, as noted in its Resolution 710 (1979) in reply to the report on the activities of OECD in 1978, the economic situation in the industrialised countries remains characterised by a very low level of economic activity, an increasingly alarming unemployment level, a rate of inflation which, despite a slight easing off, remains too high, and large balance of payments deficits ;

3. Believing that the Concerted Action Programme adopted by the OECD Council in 1978, whose strategy was confirmed at the meeting of the OECD Council at ministerial level on 3 and 4 June 1980 has produced positive results, particularly as regards the balance of payments and inflation ;

4. Emphasising, however, that the low and unequal increases in wages, which have not always kept pace with inflation, and the stringent monetary and budgetary policies applied by the OECD countries have led to a slowing down of consumption and of public and private investment, and have therefore made it impossible to stimulate economic activity and create sufficient numbers of jobs ;

5. Recognising that the economic prospects of the industrialised countries remain bleak, partly owing to the consecutive increases in the price of oil, and that the policies followed hitherto have not significantly changed the weak and dependent state of Western economies ;

6. Emphasising that the policy of regulating energy consumption by means of price mechanisms has up to now been ineffective in encouraging systematic energy conservation either by producers or by private consumers ;

7. Noting the declaration adopted by the heads of state and government of the major industrialised countries at the end of their meeting in Venice on 22 and 23 June 1980, in which they affirm their determination to reduce the industrialised countries' dependence on oil imports and set ambitious objectives for the decade ahead, and hoping that governments will mobilise all their resources, and particularly their budgetary resources, to achieve these objectives ;

1. See Doc. 4558, report of the Committee on Science and Technology. Text adopted by the Standing Committee, acting on behalf of the Assembly, on 3 July 1980.

8. Supporting the new "Declaration on Trade Policy" adopted at the meeting of the OECD Council at ministerial level on 3 and 4 June 1980, which replaces the 1974 "Trade Pledge" and confirms the OECD countries' commitment to the principles of free trade and their desire to give the developing countries a larger share of world trade ;

9. Welcoming OECD's preparedness, notably expressed on the occasion of the Colloquy on International Tax Avoidance and Evasion, held by the Parliamentary Assembly (Strasbourg, 5-7 March 1980), to co-operate with the Council of Europe in preparing a convention on mutual administrative assistance in tax matters,

10. Calls on the governments of the OECD member countries :

10.1. to sustain their efforts to induce renewed non-inflationary growth, but without placing the entire burden on personal incomes ;

10.2. to take action as quickly as possible, in concert with the social forces, designed to encourage increased public and private investment, allowing economic activity to recover, jobs to be created in greater numbers and consumption to pick up again ;

10.3. to use all available means to reduce unemployment, particularly among young people, notably by :

a. improving their training by increasing the number of in-firm schemes leading to permanent jobs ;

b. creating jobs by incentives and tax reliefs ; and

c. introducing the various measures proposed in Resolution 710 (1979) ; e.g. part-time jobs, flexible retirement schemes, reduction of work-time by international concertation, and greater flexibility of the labour market ;

10.4. to promote policies designed to offer men and women equal opportunities in employment, and to reduce differentials in average earnings between men and women by implementing the recommendations adopted by the High-Level Conference on the Employment of Women of OECD member countries, held in April 1980 ;

10.5. to take measures to stimulate and co-ordinate investment in industrial redeployment and innovation, having special regard to the opportunities created by micro-electronics and biotechnology ;

10.6. to intensify efforts at all levels to save energy, particularly by means of increased aid in the form of tax or other incentives to research and to investment in energy-saving equipment ;

10.7. to develop all sources of energy, in particular nuclear energy, coal and the renewable sources of energy, while limiting their adverse effects on the environment and introducing stringent safety measures ;

10.8. to encourage reduced energy consumption by automatically passing on crude-oil price increases to the consumer, but taking care to prevent sensitive economic activities from suffering unduly thereby ;

10.9. to take resolute action to implement the provisions of the Declaration on Trade Policy so that consumers may benefit from improved productivity, and to facilitate trade with the developing countries, which may provide the stimulus for renewed growth ;

10.10. to intensify their efforts within the 3rd United Nations Development Decade to promote co-operation with the developing countries on the lines laid down in Assembly Resolution 726 (1980), by taking concrete action on the proposals contained in the Brandt Commission's report and giving priority to the implementation of the emergency programme ;

10.11. to develop co-operation with the Council of Europe to combat international tax avoidance and evasion in the light of Assembly Recommendation 833 (1978) ;

Environment protection

11. Supports the recommendations on the assessment of projects with significant impact on the environment, the environment and tourism, coal and the environment, the reports on the state of the environment, and the Declaration of Anticipatory Environmental Policies adopted at the second meeting at ministerial level of the OECD Environment Committee on 7 and 8 May 1979 ;

12. Takes note with satisfaction of the publication, in July 1979, of the first report on the state of the environment in OECD member countries ;

13. Welcomes the fact that the ad hoc group on urban problems started its work at the end of 1979 ;

14. Regrets the cessation, from June 1980, of the Transfrontier Pollution Group's activities ;

15. Invites governments of OECD member countries :

15.1. to implement the recommendations put forward by OECD's Environment Committee ;

15.2. to improve existing co-ordination between OECD and the Council of Europe as regards environment protection, in particular between OECD's Environment Committee and the Council of Europe's European Committee for the Conservation of Nature and Natural Resources, with a view to optimum use of the resources available to the two organisations ;

15.3. to encourage co-operation between OECD and the European Conference of Ministers responsible for Regional Planning and the European Ministerial Conference on the Environment ;

Agriculture

16. Agrees that agriculture should be considered an integral part of the general economy with the duty continuously to improve its efficiency, but considers that the policy of "positive adjustments" called for by OECD should take into account :

16.1. agriculture's particular features and problems such as the uncertainty of future harvests and the general imbalances between agriculture and other sectors of the economy ;

16.2. the paramount importance of securing for Europe a rich and varied food supply in a tense world situation, without however aggravating the problems of the third world, highlighted in the "Brandt report" ;

16.3. the problems caused to European agriculture in the recent past by the soaring costs of arable land, labour, many input commodities such as fertilisers and fuel, and high interest rates on loans ;

16.4. agriculture's "external" contributions to society as a whole, consisting of, for example, a more balanced regional development and the maintenance of a living countryside accessible to growing numbers of people living in urban areas ;

16.5. agriculture's own efforts to improve its efficiency in the last few decades, through structural reform and modern managerial methods, increased mechanisation, intensified use of fertilisers and pesticides, improved irrigation and genetic development of animals and crops ;

16.6. the possibilities of increasing efficiency not only in agriculture but in the agro-food industry as well, by studying, for example, the competition structure, price levels and profit margins ;

17. Commends OECD for its efforts at monitoring and forecasting international market. developments, while recalling that the present situation for major world crops is "uncertain" and "highly vulnerable" ;

18. Considers that OECD member states, given the uncertainties caused by political disturbances, armed conflicts and weather changes in the world, could well endeavour to reach "safety margins" in a number of important crops for internal needs, for increased food aid and for future export opportunities ;

19. Commends OECD's efforts at encouraging member governments to seek a balance between supply and demand in the dairy sector, and hopes that the possibilities of increasing the supplies of dairy products to starving populations in the developing world will be examined further ;

20. Welcomes OECD's current studies on the growing international interdependence in agricultural produce, and draws particular attention to the increased dependence of developing countries in Europe and the United States ;

21. Considers that governments of OECD member states should, on the one hand, increase their short-term food aid to developing countries and build up the now dangerously low international grain reserves, and, on the other, encourage progressive agricultural policies in developing countries aiming at eventually creating greater self-sufficiency ;

22. Welcomes the organisation's current work on agriculture's use and production of energy and calls on OECD member governments to enable agriculture, through investment subsidies and other types of assistance, to tap its vast potential for energy production- even if this should take place before prices of alternative forms of energy have reached levels sufficiently high to make such operations fully profitable ;

23. Calls on the governments of member states of OECD to draw more fully on that organisation's expertise in fisheries matters, by going beyond purely technical consultations toward strategic discussions regarding elements for a common approach to fisheries for the OECD area ;

24. Welcomes the work of OECD aimed at furthering the development of Southern European agriculture and forestry, and hopes that it will contribute as much to the aims of Recommendation 861 (1979) of the Assembly on the role of the Council of Europe in the intensification of co-operation between the countries of Northern and Southern Europe, as to the shaping of a "new Mediterranean policy"- called for in the Assembly's Resolution 714 (1980)- valid also within the wider OECD framework ;

Culture and education

25. Wishes to draw greater attention to the work of OECD in the field of education ;

26. Is aware of the pressure placed upon the education systems in member countries to provide for a smooth transition for young people from school into the world of work, but stresses the need to recognise the cultural importance for the individual of general education ;

27. Is concerned that OECD's work on problems such as unemployment affecting young people should take account as far as is possible of the views of young people, for example through consultation with the youth bodies of the Council of Europe (European Youth Centre and European Youth Foundation) and other European youth organisations ;

28. Welcomes the general collaboration between OECD and the Council of Europe in educational work, and stresses in particular the importance of active participation by OECD in the CDCC project on preparation for life ;

29. Calls on the governments of the OECD member countries :

29.1. to continue to support close collaboration between the Council of Europe and OECD on education questions, and in particular to associate other OECD member states with the Council of Europe's work in this field ;

29.2. to consider favourably, within a context of support for international co-operation on education questions, the renewal of the mandate for OECD work in this field beyond 1981