



Resolution 247 (1963)¹

Reply to the OECD report to the Council of Europe, May 1963

Parliamentary Assembly

The Assembly,

1. Considering that the security and prosperity of the free world requires both the creation of a United Europe and the setting up of an Atlantic partnership,
2. Believes that Atlantic partnership rests on a particularly close community of interests and responsibilities in world economic affairs and that the OECD should be regarded by member Governments as the main instrument for developing Atlantic partnership in economic and monetary questions and for co-ordinating the policies of the industrial nations in the fields of scientific education and development assistance ;
3. Takes note of the report of the OECD to the Council of Europe submitted on the occasion of the First Part of the 15th Ordinary Session of the Consultative Assembly (May 1963) ;
4. Expresses the hope that members of the United States Congress and the Canadian Parliament may in future years join representatives of European parliaments in the discussion of subsequent reports; and
5. Submits for consideration by the Council of OECD the following considerations:
 1. Economic and monetary policy
7. The Assembly
8. Believes that member Governments should give their fullest support to Atlantic economic and monetary co-operation within the framework of OECD, with a view to ensuring through mutual effort that their common growth target is reached and that price-stability and balance-of-payments equilibrium is restored or maintained, and considers that, to that end :
 - a. Energetic measures should be taken to stimulate internal demand in general and private investment activity in particular, such measures to include, where appropriate, general or selective tax incentives.
 - b. Measures taken to expand demand should be supplemented by action to raise productivity and increase output in step with total demand in such a way as to avoid excessive pressures on prices in any sector of the economy.
 - c. In order to ensure a smooth and balanced expansion of the economy, a rational allocation of productive resources and a socially equitable distribution of the social product, member Governments should take steps, in the closest collaboration with the representative organisations of workers, employees and employers, to formulate and implement national incomes policies which respect democratic values and do not unduly interfere with the operation of the market economy; the Assembly and the Council of OECD should explore together the possibilities each body has of contributing to a better public understanding of the economic and political issues involved in the idea of national incomes policies.

1. Assembly debate on 8th and 9th May 1963 (5th 6th and 7th Sitzings) (see [Docs. 1590](#) Docs. 1590, Report of the OECD, and 1599, draft Resolution presented by the Political, Economic, Social, Cultural and Scientific Committees, and the Committee on Agriculture). Text adopted by the Assembly on 9th May 1963 (7th Sitting) after amendment.



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- d. In member countries where action has to be taken to restore price stability, those measures should be chosen which have the least dampening effect on internal economic activity and on imports
- e. Regular consultations should take place in OECD on important short-term aspects of and changes in economic and monetary policies; with a view to obtaining the necessary co-ordination of the growth policies of all OECD countries and improving the basis of economic policy decisions, member Governments should elaborate medium or long-term national programmes concerning the likely development of demand and production.
- f. As a means of stimulating world trade, in their own interest as well as for the benefit of other regions, the OECD should be used as a forum for preparing a concerted, constructive approach in the coming tariff negotiations in GATT. OECD should also be given a clear mandate to watch over current intra-European and Atlantic trade developments and to seek temporary solutions to any difficulties that may arise. Further, member Governments should use their best endeavours to implement the OECD Resolution on the co-ordination of trade and aid policy.
- g. It would be valuable if OECD could include in its next annual report to the Assembly an up-to-date statistical survey of the economic situation in the Atlantic area.

II. Development assistance

9. The Assembly :

10. Expresses its pleasure that the ideas put forward in the resolution adopted by the Council of the OECD at its meeting of November 1962 are in full harmony with those set out in [Recommendation 332](#);

11. Takes note of the fact that the situation of the developing countries does not appear to be improving, and that the terms of trade of the newly-developing countries are worsening while their indebtedness increases, and recalls, in this context, [Recommendation 288](#);

12. Notes also that the practice of tied aid is growing;

13. Recommends :

14. That the total funds provided by the Members of OECD to further their policies of assistance to the developing countries should be increased;

15. That, in order to co-ordinate the aid efforts of the Members of the Development Aid Committee (DAC), the long-term aid requirements of the recipient countries should be channelled to a single administrative centre, preferably under the auspices of DAC, which would examine aid requests and national development programmes;

16. That DAC should, as quickly as possible, make an assessment of the needs of the developing countries;

17. That future annual reports of DAC should :

- a. assess the effectiveness of aid provided by the members of OECD and of DAC to the developing countries;
- b. set out the contributions made by the international bodies concerned with the distribution of different forms of aid to the developing countries ; and
- c. indicate the programmes containing the necessary desirable or possible measures, having regard to the natural increase in development assistance.

III. Agriculture

18. The Assembly :

19. Welcomes the new opportunity given it by the report of the OECD to the Council of Europe to examine together with that organisation the agricultural problems raised by current economic developments and the measures required to solve them;

20. Supports unreservedly the recommendation of the Council of the OECD that principles for long-term agricultural policies should be developed, taking account of both economic and social aspects of these policies; and is in agreement with the OECD Committee for Agriculture when it describes the object of this policy as being the search for a balanced agricultural economy which, without recourse to price and income support and while avoiding adverse effects on trade, will ensure a satisfactory income to all those engaged in agriculture.

21. In practice, it seems that OECD will give priority to three main points : structural improvements, reform of marketing systems for agricultural products, and information and education of producers.

22. The Assembly considers that it would be useful for OECD to proceed without delay and at the first opportunity to hold the consultations provided for, should there be a danger that the agricultural policies or trade practices in force will create difficulties for member countries.

23. In regard to food aid, the Assembly wishes to stress the principle that the contributions of the developed countries should above all assist the development of the receiving countries and should normally be of a temporary character; it also shares the OECD's concern to prevent food aid from causing disturbances in international trade and in the economy of the receiving countries; food aid programmes should be closely co-ordinated both with the other assistance programmes and with the general economic development programmes of the receiving countries.

24. The Assembly thinks it desirable that the organisations which deal with agricultural problems and policies at the international level should co-ordinate their work as effectively as possible; in particular, it considers that co-operation between OECD, FAO and the Council of Europe, in consultation with the non-governmental international agricultural organisations, would help the agricultural economy to achieve the objectives described above.

IV. Social policy

25. The Assembly :

26. Stresses that the economic policy advocated by the OECD must be supplemented and supported by an active and progressive social policy centreing on the following measures, many of which must indeed be regarded as conditioning the success of an economic growth policy;

- a. Full employment and full utilisation of man-power, including measures to promote geographical and inter-occupational mobility of workers;
- b. measures to ensure that the development of modern technology, including automation, shall not unduly upset employment or working and living conditions;
- c. measures to solve the problems of backward regions in European countries, thus ensuring a balanced development of all regions;
- d. the fullest use of modern methods of vocational guidance, training and readaptation as means of attaining the aims mentioned under (a), (b) and (c) above;
- e. progressive harmonisation of social legislation and practice, and abolition of discrimination on grounds of nationality in the social field;
- f. measures to ensure a fair distribution, among all groups of the population including the young, the aged and others who need special care - of the fruits of economic growth;

27. Advocates the widest accession to and use of existing European instruments of social policy, such as the European Social Charter, the October 1953 Decision of the Council of the OEEC concerning the mobility of man-power, and the European Interim Agreements on Social Security ;

28. Expresses the wish to see the European Social Charter put into force as soon as possible and subsequently further developed towards higher standards.

V. Scientific policy

29. The Assembly :

30. Notes with interest the decision of the Council of OECD to arrange a Conference of Ministers responsible for science policy in the autumn of 1963 and observes that this action is in line with the suggestions made by the Assembly in [Recommendation 320](#) of May 1962 on the calling of a European Conference at ministerial level to discuss and make proposals for a European science policy; hopes that the Conference, though arranged by OECD, will be designed to benefit all European organisations concerned, and will, in particular, take account of the work and potentialities of the Committee for Higher Education and Research of the Council for Cultural Co-operation; invites the Chairman of the Conference to report to the Assembly at the First Part of the 16th Session;

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31. Reiterates its conviction of the expediency of arranging a second Parliamentary and Scientific Conference to interest parliamentary circles in the requirements of international scientific co-operation and to disseminate the results of the aforementioned Conference, and invites OECD to take part in organising the Conference as it did for the first Parliamentary and Scientific Conference held in London in March 1961.