

## Press Communiqué

The Ministerial Council of the OECD, meeting in Paris on 27th and 28th November 1962, under the chairmanship of the Honourable Donald M. Fleming, of Canada, reviewed the economic prospects for its 20 member countries in Europe and North America and the world-wide responsibilities of the OECD community.

2. The ministers undertook this review and surveyed progress towards the growth target they defined last year, basing themselves on comprehensive studies in the Organization.

3. In the United States there is unemployed labour and unutilized capacity. There is a clear need for action to stimulate demand.

Production in some European countries is now growing less rapidly than last year, but no country is expecting a substantial slowing-down in the growth of production next year.

The Organization will continue to keep the situation closely under review. Ministers agreed that, should the need to take expansionary measures arise later on, it would be important for member countries to act quickly and in concert.

4. There has been a substantial improvement in the international competitive position in the United States, in Canada, and in the United Kingdom. This will contribute increasingly to a better balance in international payments. National authorities will continue their close co-operation to moderate the remaining elements of imbalance. In particular, further efforts are needed to ensure that capital flows assist rather than impede the restoration of balance-of-payments equilibrium, account being taken of the situation in the various countries. It should be noted that large resources are available to deal with temporary balance-of-payments difficulties.

5. Prices and costs have been rising in Europe. The rise needs to be halted without restrictive policies which might arrest sound economic expansion.

Continued economic growth without undesirable rises in costs and prices could be facilitated by adequate incomes policies and measures to secure mobility of productive resources. A report on costs and prices will be published.

6. Ministers had before them a first report which will be published on some problems related to the collective target of 50 percent growth in real national product during the decade from 1960 to 1970, set by the Ministerial Council in 1961. While this objective is well within the physical capabilities of the member countries, experience over the first two years of the decade points to the need for a better and fuller use of economic resources for this purpose.

7. Referring to last year's communiqué, ministers reaffirmed the special desirability of rapid growth in all member countries in process of development and confirmed the importance which they attach to the continuation of the efforts of the Organization in this field. In this context, they stressed the importance of the work to be done by the consortia established to support the development policies of Greece and Turkey.