

- using the Cologne Process discussions as a forum for improving communication of macroeconomic fundamentals with a view to ensuring better policy co-ordination;
- upgrading the role of the social partners in the co-ordination process by developing the tripartite social summit held to prepare for Council meetings into a true partnership forum for growth and employment; supporting stronger involvement of the national social partners in so-called "reform partnerships" for the better implementation of the Lisbon Strategy at a national level; inclusion of such partnerships should not be limited purely to industrial relations, but should also entail the involvement of representative bodies of the social partners in all other areas of economic and social policy;
- harmonising taxation systems to improve transparency, simplify taxation, close tax loopholes and reduce the public sector's leakage of revenue so as to ensure sufficient provision of public sector services;
- co-ordinating monetary policy at the global level in order to prevent excessive currency fluctuations;
- A European Research Council as proposed in the Kok Report could contribute to the international co-ordination of research activities provided that certain conditions (for example, transparent processes for setting priorities, complementarity to and work sharing with national efforts) are met.

The Advisory Council calls upon all the relevant institutions and decision-makers to take up their responsibilities for implementing the proposals outlined above. In accordance with the open method of co-ordination, the member states of the EU themselves are also responsible for achieving the Europe-wide targets. The national action plans proposed in the Kok Report are basically positive, but they must avoid any duplications or additional administrative costs.

Elements of a Growth Strategy for Austria

Advanced international integration has clearly reduced the scope for purely national economic policies. Therefore a major task of policy consists in vigorously influencing European economic policy in line with the proposals above so as to increase the emphasis on growth.

Nevertheless, there remains substantial scope for national policies that target growth and employment within the Austrian economy. Although these objectives are generally recognised and accepted, they have little influence on the actual budget structure. A large part of public expenditure (about 50%) serves other objectives, as do most regula-