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COMMON MARKET

Statement by the Prime Minister, the Rt. Hon. R.G. Menzies

Mr. Duncan Sandys, Secretary of State for Commonwealth Relations, will arrive in Australia from New Zealand on July 6.

The United Kingdom Government has informed the Australian Government that he would like to discuss with us various aspects of the European Common Market and the particular questions which would arise should the United Kingdom seek to join the Common Market.

These problems have been the subject of occasional reference over the last two years. We have been assured of full consultation before any decisions are taken. But, we have not had any specific views or proposals put to us. The meeting with Mr. Sandys will therefore give my colleagues and myself our first opportunity of hearing the views of the United Kingdom Government expressed with authority and in reasonable detail.

There have been in the last few weeks meetings between officials. I suggested these when I was last in London at the time of the Prime Ministers' Conference. But although there have been quite a few discussions on the official level, it must be made clear that the problems have not been solved and that the outlines of practical proposals have not yet emerged.

It will at once be seen that there are two aspects of the problem - one is economic; the other is political. On the economic side, we have a large and legitimate interest in protecting the entry of our goods, particularly our agricultural products, into the markets of Great Britain. Should Great Britain obtain entrance to the Common Market without preserving Commonwealth preferences, the effects upon our trade would be extremely severe. Whether the European nations in the Common Market would be prepared to admit Great Britain to membership with reservations preserving her Commonwealth arrangements is an important question upon which we hope that Mr. Sandys will be able to throw some light.

The political problems are also extremely important. The whole Common Market arrangements point in the direction of closer political association and even unity in Western Europe. A Great Britain which acquired organic political relationships or obligations in Europe would, I should imagine, find her normal Commonwealth political relationships profoundly affected. These are all matters upon which we will be anxious to receive the carefully analysed views which Mr. Sandys will no doubt be able to put to us.

CANBERRA,
3rd July, 1961.