

FOR PRESS:

I have received the following Press Statement from the Australian High Commission in London.

J. O'Sullivan

The Prime Minister of Australia, Mr. Menzies, and the Deputy Prime Minister of New Zealand, Mr. Marshall, who are at present in London, today had discussions in which they reviewed at some length the developments in negotiations concerning Britain's application to join the Common Market.

Official advisers from both countries were present.

Mr. Menzies and Mr. Marshall said that they had taken this opportunity to discuss the trend of the negotiations in relation to the great trading interests of both countries in the British Market.

The interests of Australia and New Zealand in the Brussels negotiations are very similar. The economics of each country depend critically on exports to the British Market in which they have long enjoyed unrestricted and preferential duty free entry for almost all their products. Each country is also a major market for British exports. The preferential trading relations which have existed between Britain on the one hand and Australia and New Zealand on the other for the greater part of this century have worked to the mutual advantage of each of the three countries.

Further, both Australia and New Zealand have had firm expectations that these special trade relations would continue. These they were well entitled to have. This is above question. This continuity of Commonwealth trade has been the basis of a great deal of special development in both countries in the sense that particular products and industries and particular communities have developed on the basis of an assurance of markets in Britain.

Both Australia and New Zealand face drastic consequences if Britain were to enter the Common Market on terms which do not afford adequate safeguards to the vital trading interests of Australia and New Zealand in the British Market.

Mr. Menzies and Mr. Marshall said that it was recognised that British entry to the Common Market was not solely a trade or economic issue. It could have far reaching political implication extending far beyond Europe.

British entry should not be on terms which resulted in critical damage to their economics and the impairment of Commonwealth Relations. Mr. Menzies and Mr. Marshall recalled that the British Government had repeatedly given assurances that it would not feel able to join unless Commonwealth interests were safeguarded. These assurances were of vital importance in the current negotiations.

Nevertheless neither Australia nor New Zealand could be indifferent to some recent developments in the negotiations. Although no doubt the outcome of this week's discussion on industrial products would come under examination at the Commonwealth Prime Ministers' Conference, it none the less represented a disturbing development. It fell far short of providing adequate safeguards for Commonwealth trade in the products concerned. Even more important, of course, it must not under any circumstances be taken as a pattern for the type of settlement which might be reached on other products of even greater concern to Australia and New Zealand.

CANBERRA,
2nd June, 1962.