

FOR PRESS :

P.M. No. 11/1963

EUROPEAN COMMON MARKET

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

Cabinet today gave consideration to the latest dramatic developments in relation to the United Kingdom's application to join the European Common Market.

Throughout the long negotiations, we have ministerially, officially, and publicly presented our interests and views in a constructive and co-operative way, based upon two major propositions.

The first was that the ultimate decision to join or not to join would be made by the United Kingdom and not by us, since we are not direct parties to either the application or the negotiations.

The second was that we wished to see terms secured by the United Kingdom which recognised the continuing importance of protecting our own long-established and vital trading interests. Those interests remain and, of course, our anxiety to see them protected remains.

At the same time, we have a sincere feeling of sympathy for the Government of Great Britain in the manner in which the negotiations were terminated. It certainly comes as a great shock that one of the negotiating parties, France, should have terminated the talks for published reasons which, if they had been stated originally, would probably have rendered the whole process of negotiation unnecessary.

We recognise that the British Government will itself need to sort out the present position. It may well take some weeks to discover what the effect of France's action is upon the other Member-countries of the Common Market and, for that matter, upon the policies of Great Britain herself.

Our position, which I am communicating to Mr. Macmillan, is that if the British Government, when it has made its own assessment of the present position, desires to have direct discussions with Australia, we will be immediately willing to engage in such discussions on both the ministerial and official level. Whatever the immediate European outcome, the trade relationships between Great Britain and Australia remain of the liveliest importance though they are of course at present dealt with by the 1956 Trade Agreement which is still current and by other existing commodity arrangements. We are not attracted by the idea of an early Prime Ministers' Conference, which we think would be in the present relatively confused state of affairs premature. But as I have said, we will be quite willing to engage in bi-lateral discussions whenever they are sought.

Meanwhile, our drive for new and diversified markets, which has been vigorously and most successfully pursued for years, goes on. We have great hopes of better and better results, particularly having regard to the remarkable degree of stability in the cost level which has been achieved in Australia in recent years.

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CANBERRA,  
5th February, 1963.