AUSTRALIA, THE UNITED KINGDOM, THE UNITED STATES AND THE COMMON MARKET.

In the last two or three months we have seen and heard a very great deal of what Australia is doing to preserve its trading position if the United Kingdom joins the Common Market. There have been many statements. There has recently been a debate in the Parliament. The Australian Government - in particular, the Minister for Trade - have expressed very real concern for the future of Australia's trade relationships if the United Kingdom should join. Obviously, any Australian Government would have to do what it can, as ours has, to preserve the legitimate trading interests of Australian exporters. This is the first objective of the Australian Government, as I hope it would be of any Australian Government.

However, in fighting for our own interests, we can get this whole Common Market matter out of perspective if we do not keep in mind the aims and objectives of other nations.

The main motive for the Common Market is political and not economic. As the United States Secretary of State said, at a dinner given in Canberra in his honour last week, the people of Europe and of the United States hope that unity in Europe will make a sure foundation of peace in Western Europe. For over 1,000 years, Europe has been torn by wars arising from jealousies and rivalries between the nations of Western Europe. We, in this decade, look like seeing these nations brought together in a kind of unity which will make these wars impossible. To me, this seems to be an objective that transcends almost any commercial economic objective that anyone might have. Quite obviously, when you look at the political motive for the unity of Europe in the forming of a Common Market, the move can only be a real success if the United Kingdom joins because the United Kingdom is one of the most significant countries in Europe.

If the United Kingdom does not join, if our own loudly voiced objections about the possible harm to our trade, prevented the United Kingdom from joining, as it is not impossible they could, then we should think what the consequences might be. The United Kingdom would become not much more than an offshore island with a giant on her doorstep in Europe and another giant across the Atlantic. She would be so preoccupied with relationships between these two groups, and particularly with her own relationship to the European Common Market countries that she would have less time for the Commonwealth than she now has, and the Commonwealth itself would have less influence in world affairs.

If the United Kingdom does join, as I plainly hope she does, she will be able to work from within the Common Market to make the Common Market countries outward looking. Once Europe is unified in some degree there is a much greater possibility that the Common Market countries will look outside Europe and take a greater part in assisting under-developed nations to achieve a degree of stability and prosperity.

The United States, for example, has for some time wanted some of the burden that she herself bears, taken by the prosperous countries of Europe. It is not always known that for every person in the United States 300 dollars is spent by the United States on aid to 75 different countries around the world. This is money spent by the United States taxpayer. The United States most justifiably believes that the prosperous European countries should take a greater part of this burden than they have in the past. This is not to say that some European countries have not done a great deal in this
direction. The United Kingdom has, but more than any other, France, despite all her difficulties, despite her wars in Indo China and Algeria, has spent more on foreign aid than any other European country, possibly more than the rest of Europe put together. With a French influence looking outward and with a British influence looking outward, both working from within the Common Market, countries would become less introspective and less concerned with purely European affairs. Indeed, once their own rivalries are put to rest, the possibility for taking a greater part in ensuring the peace of the world will be very real. Third countries, I believe, whether they be Commonwealth countries or some other country, have no right to prevent this great movement being successful. Some arguments have been used which seem to imply that we have the right to prevent the United Kingdom entering the Common Market.

It is a gross impertinence on the part of people who argue in this way. The United Kingdom Government must act for the people of the United Kingdom. It cannot act for Australians as the Australian Government can't act for the United Kingdom.

If the United Kingdom Government has come to a decision, as it appears to have, that United Kingdom survival in a large degree depends upon entering the Common Market, how can we, as Australians, pretend that we have a right to prevent them.

When you look upon the sacrifices that the United Kingdom has made in two world wars, sacrifices which have reduced the United Kingdom from being the greatest world power to being a power which some people today say is not of great significance, how can we object to measures that they believe are necessary for their own survival.

One other point I want to make. Recently, Dean Rusk, a most impressive Secretary of State for the United States, has quite plainly told us where the United States stands on the remnants of British preferences. We should understand that the United States has always pursued this attitude. After the crash of 1929 and the depression of the '30's, we find the Ottawa Agreement which enshrines British preference developed in a large measure to keep the dollar out of the Empire as it then was. The United States looks upon British preference as a move originally designed against the dollar. Under these circumstances, can you wonder that the United States does not love the preferential system?

This is a matter of history. As for the present, it is my belief that adequate right of access to the Common Market countries would prevent serious harm to our own trading interests.

I do not think we need preference over third countries to be able to sell our commodities adequately so long as we are allowed to sell the volume we have previously sold to the United Kingdom.

Right of access is more important than preference. If we have no right of access in sufficient quantity then we would certainly be in real difficulty. There is reason to believe that we would get this right of access.

It is also ironical that while the United States is making the greatest possible move that history has ever seen for the reduction of trading tariffs, Australia has experienced a period of severe protectionism due to an outcry by our own manufacturers. President Kennedy is seeking powers from Congress to reduce tariffs of the United States right across the board by as much as 80%.

He wants this power to enable him to bargain with the Common Market
countries if tariffs between these great trading blocs are reduced in this way. The United States recognises that this could mean that some of their own industries would go to the wall.

We should also remember that any tariff reductions negotiated between the United States and the Common Market countries would be fully available to all third countries such as Australia or New Zealand.

The United States is making these moves because it believes that the development of the Common Market will open the opportunity for greater trade within the Western World with a consequent strengthening of freedom and democracy.

In the next few years we will learn whether she is right or wrong.