Supply—Finance

been said by Prime Minister Macmillan in Kingdom government this was the first opthere in midsummer.

The position of the United Kingdom was that no decision has been taken by the gov- conference had been held earlier, or a conernment of the United Kingdom to join the ference at which a collective expression of community, but that the negotiations were commonwealth opinion might have been necessary in order to ascertain upon what heard. I think it would have been well if the terms it might be possible for Britain to be received into membership in the community. In other words, it was emphasized that the purpose of those negotiations was to ascertain what terms would be possible for Britain to adhere to the community. The statement of Mr. Macmillan in the Westminster debate was reiterated, namely that the British negotiators would do everything possible to defend the interests of the commonwealth, Britain's partners in the European free trade association and British agriculture. It was only after all of these matters had been taken into account that the decision would be taken and also that a commonwealth conference would be held before a decision was arrived at.

The tenor of the discussion, I think, is worthy of mention, particularly in view of the gross misrepresentation that has been carried on since. The discussion was serious. The contributions were marked by a high sense of responsibility and by such restraint that comment was made on the restraint with which all members spoke. The discussion was frank; it was realistic having due regard for the gravity of the matter, and for the future of the commonwealth. There was no such thing as lamentation, as it has pleased one of the newspapers in this country to state. On the contrary, there was an amazing degree of unanimity of feeling indicated. There can be no doubt that the degree of concern and apprehension felt by the governments of all of the commonwealth countries has been underestimated by all; that means underestimated, I think, by all of the commonwealth countries, including the United Kingdom, underestimated by the press of those countries. I am quite prepared to say for myself that I had underestimated the strength of the feeling entertained by the other commonwealth governments in regard to this question and the apprehensions they feel over

This was the first opportunity that there had been for a collective expression of commonwealth sentiment in regard to the matter. There had been bilateral consultations in the summer; there had been a somewhat preliminary discussion of the subject at the last annual meeting of the commonwealth economic consultative council in London a year earlier; but since this became a matter of active decision on the part of the United

the parliament at Westminster in the debate portunity there had been for a collective expression of opinion.

> I think it would have been better if this suggestion of our Prime Minister had been acceded to earlier so that the collective views of all of the comonwealth countries might have been made known to all of them; for the danger of miscalculation as the result of underestimating concern and feelings of this kind is obvious.

> I said there were two aspects to this question and to the changes that might be brought about by British adherence to the community. The first is political. I think that in all of the discussion in newspaper columns in this country and in speeches this feature has been largely overlooked. The treaty of Rome, it should be borne in mind, creates a new authority. The countries concerned did part with some portion of their sovereignty and therefore any country joining the community on the terms of the treaty of Rome necessarily submits to some modifications of its sovereignty. This is inevitable under the terms of the treaty itself. That fact has never been denied. Indeed, Mr. Chairman, it was discussed at some considerable length by Mr. Menzies, the prime minister of Australia, in his speech in the house of representatives at Canberra recently. Mr. Menzies is a very eminent constitutional lawyer. Quite apart from economic questions, in his speech Mr. Menzies was much concerned about the prospect of changes in political relationships between the United Kingdom on the one hand and other commonwealth countries on the other if Great Britain adhered to the community on the basis of the treaty of Rome and consequently submitted to a modification of sovereignty.

> I think it would be well, Mr. Chairman, if I placed on the record some of the observations of Mr. Menzies. The date is August 16, 1961. He said:

> We cannot as yet anticipate the result of the negotiations. We can, I think, reasonably assume that Great Britain will not accede to the Treaty of Rome, unconditionally. Such an accession would bring to an end the commonwealth preferential system which has endured for many years. It would be highly damaging to Australia, and could be disastrous to our neighbour and friend, New Zealand. As the preferential system operates both ways, it could mean the end of British preferential tariff rates in our tariff schedules.

> On the other hand, it may be too much to hope at this stage that Great Britain will be allowed, by the necessary unanimous agreement of the six, to maintain the commonwealth preferential system completely unimpaired. Some compromi no doubt be sought. We shall, of course,-Some compromise