

II. The success of the BENELUX proposal for European economic integration in 1955 and failure of British efforts to join in 1962 and 1967 each in its own way underlines the importance of getting not only the decision but also the timing right.

ENDNOTES

¹ Provisions relating to alignment of tariffs against third countries on the CET are not dealt with here. Nor are those having to do with agriculture, which was to be subject to a system of managed markets.

² These changes were actually to be accomplished in 11 years, since the first adjustments were not to be made until one year after the Treaty came into effect.

³ There were substantial fluctuations from year to year. For example the deficit was much lower in 1980. However, the general trend over the decade was towards a worsening of Britain's balance on manufactures with other EEC countries.

EFTA

While the EFTA experience was not within the scope of this study as originally envisaged, it is certainly relevant to the Canada - U.S. situation. A few facts and figures are therefore set out here to give some indication of the repercussions which EFTA had on the trade and economic development of the member countries. Some of the consequences were similar to those found in the study of the EEC - for example, faster growth in trade with EFTA partners than with the rest of the world and restructuring of industries to take advantage of new trade opportunities. But in view of the discrete and indicative nature of much of this material, it would need to be supplemented by a more detailed and comprehensive analysis before drawing any firm general conclusions about the economic benefits of EFTA.

Trade Patterns

From 1959 to 1967, all members of EFTA expanded their imports at a faster rate from their partners in the trading group than from the rest of the world. In the case of Austria, Sweden and Britain, the annual average percentage increase in imports from other EFTA countries was more than half as great again as the corresponding figure for imports from all countries. For Denmark, Norway, Finland and Switzerland, the rate of growth in imports from EFTA was between