

Supply—Finance

that Britain shall join the six, that is not what the government of the United Kingdom says. They do not at all accept the idea that this is inevitable and they have made it very clear that the purpose of these negotiations is to ascertain terms upon which it may be possible for Great Britain to join the six.

Then, it is said the commonwealth countries have no right to try and restrain the United Kingdom from adhering to the community, also that if they have anything to say, they should be putting forward an alternative. This conference, Mr. Chairman, was not called for the purpose of discussing any particular alternative to this proposal; that was quite beyond its scope and agenda. Anything of that nature would require a conference called on due notice.

Mr. Benidickson: Surely, you knew that this was the major item coming up?

Mr. Fleming (Eglinton): This agenda was made known a few days before the conference, yes. However, there was no thought that this conference was called for the purpose of discussing some particular alternative plan. Let me make that very clear. No one expected that at all, and no one looked for it at the conference.

In so far as the subject of an existing alternative is concerned, let me draw attention to some figures that ought to be borne in mind by some people who have been writing very freely on this subject and who seem to have overlooked the importance of commonwealth trade. It is true that the exports of the United Kingdom to the six have declined moderately in percentage terms, but the same is not true of volume or value terms. The fact is that Britain's exports to the commonwealth are three times what they are to the six. Much has been made about the large population that is available in the six as a market. Well, the population of the commonwealth is several times that of the present population of the six. I point out this fact, and it was discussed by the various ministers at Accra, that the potentialities of trade within the commonwealth are not exhausted; indeed they have not yet been fully developed.

I think it is not unfair to say that most of the countries of the commonwealth are looking for opportunities—this is certainly true of the Canadian government—for enlarging trade within the commonwealth, certainly between the United Kingdom and the other countries. Trade relations within the commonwealth are constantly under review. Of course, much of the trade in the commonwealth is now governed by agreements under GATT. They are a matter of contract; they represent concessions that have been bought and paid for on the basis of exchange. The principle that the

commonwealth countries declared for at the Montreal trade and economic conference in 1958 was the principle of multilateralism in world trade. This is the policy that was declared at Montreal. It was not a restrictive policy. This is the policy to which the Canadian government adheres.

Let me remind the committee, Mr. Chairman, of some of those provisions in the report of the Montreal conference of 1958, a unanimous document adhered to by all the then members of the commonwealth. Article 7 reads:

It is our firm belief that commonwealth countries should continue to work in no exclusive spirit towards a multilateral trade and payments system over the widest possible area. We are also convinced that there are many things which can appropriately be done to increase trade between one commonwealth country and another. Commonwealth participation in the preferential system has proved to be of mutual benefit and we have no intention of discarding or weakening it. Some of the trade agreements between commonwealth countries now require review, and work has begun on renegotiating them. It is our intention to work towards an expansion of commonwealth trade by all practicable means, and we have explored a number of these.

Then, Mr. Chairman, here is article 21:

About half of the total trade of the commonwealth is exchanged within the commonwealth and half with the rest of the world, and it must be the aim of every commonwealth government to foster trade within and outside the commonwealth. The conference reaffirmed the policy that commonwealth countries should work to achieve a multilateral trade and payments system over the widest possible area.

Then, article 28 reads:

The conference reaffirmed the importance of the role that preferences have played and continue to play in commonwealth economic relations. Commonwealth countries have continued to adhere to the preferential system while adjusting their policies to the requirements of changes in the scope and character of world trade.

There was an emphatic declaration in favour of continuation of the commonwealth preferential system, a system that has been of great advantage to commonwealth countries. This was the unanimous expression of the commonwealth countries in 1958.

Article 31 reads:

The United Kingdom government confirmed its intention of maintaining as an important element in the preferential system the free and unrestricted entry of nearly all goods imported from the commonwealth.

If there is adherence by the United Kingdom to the community on the basis of the treaty of Rome, it will no longer be possible to carry that policy into effect.

Then, Mr. Chairman, the last quotation I have is from article 40.

Here let me remind hon. members that in the years 1957 and 1958 Great Britain and