

GOVERNMENT



OF CANADA

PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

NO 58

FOR IMMEDIATE RELEASE
TUESDAY, OCTOBER 1, 1957

THE FOLLOWING IS THE TEXT OF THE COMMUNIQUE ISSUED TODAY AT THE END OF THE MEETING OF COMMONWEALTH FINANCE MINISTERS AT MONT TREMBLANT:

THE MEETING OF COMMONWEALTH FINANCE MINISTERS AT MONT TREMBLANT ENDED TODAY. THE MINISTERS WELCOMED THE PRESENCE FOR THE FIRST TIME OF TWO NEW MEMBERS, THE FINANCE MINISTERS OF GHANA AND THE FEDERATION OF MALAYA. THE MEETINGS WERE HELD IN AN ATMOSPHERE OF CORDIALITY AND UNDERSTANDING. THE FOLLOWING ARE THE AGREED CONCLUSIONS ON THE THREE QUESTIONS THAT WERE DISCUSSED:

1. THE POUND STERLING

A STRONG POUND STERLING IS VITAL TO THE STABILITY AND ECONOMIC PROGRESS NOT ONLY OF THE STERLING AREA AND ITS INDIVIDUAL MEMBERS, BUT ALSO OF THE WORLD TRADING COMMUNITY AS A WHOLE. AT THIS MEETING THE MINISTERS WARMLY SUPPORTED THE RECENT STATEMENTS ON STERLING MADE BY THE CHANCELLOR OF THE EXCHEQUER IN LONDON AND WASHINGTON, AND RECOGNIZED THAT ITS STRENGTH DEPENDS UPON THE JOINT AND INDIVIDUAL POLICIES OF THE MEMBERS OF THE STERLING AREA. ESSENTIALLY THIS INVOLVES EACH MEMBER COUNTRY LIVING WITHIN ITS AVAILABLE RESOURCES. THIS DOES NOT--AND SHOULD NOT--IMPLY A STATIC POLICY, FOR THE RESOURCES OF EACH COUNTRY CAN BE AUGMENTED BY SUITABLE POLICIES DIRECTED TOWARDS STRENGTHENING ITS COMPETITIVE POSITION, INCREASING ITS SAVINGS, AND PROMOTING FREER AND EXPANDING TRADE AND PAYMENTS AND A LARGER FLOW OF INTERNATIONAL CAPITAL.

2. EUROPEAN ECONOMIC INTEGRATION

THE MINISTERS REVIEWED THE PROGRESS MADE TOWARDS THE RATIFICATION OF THE TREATY OF ROME, ESTABLISHING THE EUROPEAN ECONOMIC COMMUNITY, AND THE EFFECT OF THIS TREATY ON THE INTERESTS OF THE COMMONWEALTH.

PAGE TWO

THEY NOTED THAT THE TREATY WOULD RECEIVE FURTHER CONSIDERATION

IN INTERNATIONAL ORGANIZATIONS. UK MINISTERS REPORTED ON THE PROGRESS MADE FOLLOWING THE UK INITIATIVE FOR THE ESTABLISHMENT OF A FREE TRADE AREA IN EUROPE. THE COMMONWEALTH MINISTERS RECOGNIZED THAT THE ESTABLISHMENT OF AN OUTWARD-LOOKING FREE TRADE AREA IN EUROPE WOULD BROADEN THE ADVANTAGES TO BE DERIVED FROM ECONOMIC INTEGRATION IN EUROPE, NOT ONLY BY THE UK BUT BY ALL THE OTHER PARTICIPANTS. THIS WAS REGARDED AS IMPORTANT AS IT COULD CONTRIBUTE TO AGREED COMMONWEALTH POLICIES OF EXPANDING WORLD TRADE. IT WAS ALSO AGREED THAT THERE IS NEED FOR EFFECTIVE MACHINERY FOR CONTINUOUS CONSULTATION AMONG COMMONWEALTH COUNTRIES ON MATTERS RELATED TO THE EUROPEAN ECONOMIC COMMUNITY AND THE PROPOSED FREE TRADE AREA. UK MINISTERS REAFFIRMED THE UNDERTAKINGS PREVIOUSLY GIVEN BY THEIR GOVT ABOUT THE SAFEGUARDING OF COMMONWEALTH INTERESTS IN THE UK MARKET FOR FOODSTUFFS, DRINK AND TOBACCO.

3. COMMONWEALTH TRADE AND ECONOMIC CONFERENCE

THE MINISTERS APPROVED THE PROPOSAL OF THE CANADIAN GOVERNMENT THAT A COMMONWEALTH TRADE AND ECONOMIC CONFERENCE SHOULD BE HELD AT A CONVENIENT PLACE AND TIME IN 1958 AND AGREED TO RECOMMEND THIS PROPOSAL TO THEIR GOVERNMENTS. THE CHANGING PATTERN IN TRADE, PRODUCTION AND DEVELOPMENT THROUGHOUT THE WORLD PRESENTS ALL COMMONWEALTH COUNTRIES WITH NEW PROBLEMS AND NEW OPPORTUNITIES. THEY CONSIDERED THAT THE TIME IS MOST OPPORTUNE TO ASSESS THESE PROBLEMS AND OPPORTUNITIES JOINTLY WITH PARTICULAR REFERENCE TO:

- (A) THE SIGNIFICANCE FOR COMMONWEALTH COUNTRIES OF CHANGES TAKING PLACE IN WORLD TRADE;
- (B) MEASURES TO EXPAND TRADE BETWEEN COMMONWEALTH COUNTRIES;
- (C) PROGRESS TOWARDS THE COMMON OBJECTIVE OF FREER TRADE AND PAYMENTS;

PAGE THREE

- (D) THE PROGRESS AND DIRECTION OF ECONOMIC EXPANSION IN THE LESS DEVELOPED COUNTRIES OF THE COMMONWEALTH AND THE SOURCES OF CAPITAL AND TECHNICAL ASSISTANCE THAT MAY AID IN THEIR FURTHER DEVELOPMENT;
- (E) ECONOMIC AND TRADE PROBLEMS IN REGARD TO AGRICULTURE AND OTHER PRIMARY PRODUCTION;
- (F) THE PROSPECTS AND IMPLICATIONS, ESPECIALLY FOR COMMONWEALTH COUNTRIES, OF THE EUROPEAN ECONOMIC COMMUNITY AND THE PROPOSED FREE TRADE AREA;
- (G) ARRANGEMENTS FOR CONTINUING COMMONWEALTH CONSULTATIONS ON ECONOMIC MATTERS.

IT WAS AGREED THAT THE DETAILED PREPARATORY WORK FOR THE CONFERENCE, INCLUDING THE FORMULATION OF THE AGENDA AND OTHER PROCEDURAL MATTERS, SHOULD BE ENTRUSTED TO A COMMITTEE OF OFFICIALS AND THAT THIS COMMITTEE SHOULD BE CONVENED IN LONDON EARLY IN 1958.