Mr. P. Thorneycroft, President of the Board of Trade, 7 October:

"I did not negotiate GATT. If I had I might have negotiated it a little differently. You cannot rewrite the history of your country; you have to deal with a situation as you find it. We remain in GATT not for sentimental reasons, but because we consider it to our advantage to do so. We are in it because it pays us to be in it."

GATT gave the exporter security because it bound many tariffs which would otherwise oppose British exports. To talk about convertibility of sterling in terms other than of having tight trade rules was to talk with great irresponsibility. Thus he was advised by organized industry that Britain should remain in GATT. The advice tendered to Mr. Butler by our Commonwealth partners was clear and overwhelming: we should remain members of GATT ......

(Referring to the demand for freedom on the "no new preference rule") Britain would have to persuade twenty-five countries to allow herself and the Commonwealth to raise duties against them in a discriminatory manner. At Washington not one Finance Minister from a Commonwealth country was prepared to pledge support for an attack on Article I of GATT. "If we launch that attack we do it against the overwhelming disagreement of foreign countries and the overwhelming decision of the Commonwealth."

The following motion was carried by an overwhelming majority:

"that this conference wholeheartedly supports the Government in its policy of conferring increasing measures of self-government on members of the Commonwealth when they are ripe for it, and congratulates them on action already taken, but emphasizes the need to maintain traditional ties of trade and culture, if need be by revisions of the General Agreement on Tariffs and Trade."

An amendment to delete all words after "culture" and substitute "by such revision of the GATT as will restore freedom of action in respect of Imperial Preference", was defeated by a substantial majority.

Mr. R. Butler, Chancellor of the Exchequer, 8 October, said in reference to the review of the GATT:

"There are four points on which we wish to make progress.

"First, we propose to examine the individual preferences, especially to meet the point of view of the Australians who are worried, among other things, about the way the Ottawa Agreement is working.

"Secondly, we propose to review the value of the preferences today, compared with the value at the date when they were put on, and see whether they need looking at again.

"Thirdly, we propose to fight for adjustments to meet the special needs of the colonies.

"Fourthly, in the interests of Lancashire and England as a whole, we propose to secure that the unfair practices hitherto noticed in Japanese competition shall be dealt with in a fair and proper manner."