Meat is a vitally important commodity in world trade. To every country represented here today it is of first importance in terms of exports or production or both. For us in the United Kingdom, meat is equally important with cereals in the present review of our agricultural policy, and we are anxious to press forward to agreement with all the countries from which our supplies of meat are drawn. For this the Kennedy Round of trade negotiations, with the prospects they offer for negotiating reciprocal advantages for both agricultural and industrial exporters, provide an excellent opportunity which we must not miss.

Although there are important internal reasons for the current review of domestic production in the United Kingdom, my Government's concern for the work of this Group does not arise solely or even mainly from these internal matters. Our position as a major meat importer puts us in a better position possibly than any other country to see the trends which are going to make international agreement about this trade essential. Production is increasing, not only in the traditional exporting and consuming countries, but also in other parts of the world. Newly developing States, for example in Africa, are adding their supplies and hoping in some cases that the traditional importing markets will accept and give them adequate returns for all that they can offer. But this is a difficult trade and we have had abundant evidence that the quantities, and even more important, the timing of arrivals of this perishable commodity can cause market instability which harms the true interest of producers and consumers alike. We therefore approach the work of this Group convinced that it is in the joint interest of all of us to reach agreement and reach it soon.

The world meat trade is not at present homogeneous. My Government have been asked why therefore we seek a world solution to these questions through an international commodity agreement with wide membership. I think there are three main reasons. For the first we need look no further than the existence of this Group. It came into being because of the concern felt by exporting countries about the future and it has acquired new powers and new responsibilities in the context of the general trade discussions. Secondly, there is the problem of new suppliers and new channels of trade to which I have referred. Traditional importers certainly have to work out agreements with their regular suppliers, but these, my Government suggest, will have to be put in the context of a world agreement. Only so can there be an orderly increase of trade in which new exporters can find their proper place. Thirdly, it is not enough to look at this problem in relation to access to some of the markets only. A world in which
there are only two or three free markets for meat cannot provide an adequate basis for the trade expansion which the major exporters desire; and, unless there is a world solution of the problem of access, the increasing concentration of exports on the few free markets may well make them less and less remunerative. These difficulties apply with particular force where the import markets, as in the case of the United Kingdom, have an important and growing domestic production.

The lines which an international meat agreement should follow are perhaps less obvious than those for other commodities. But the papers which two major exporters have submitted agree with my own delegation's paper at least in stressing that access is the crucial problem, and that it has to be considered almost in the same breath as domestic production policies. To my Government the key to the problem seems to be the securing of a proper balance between home production and imports. The means for securing this balance may well differ from country to country, but for the British market we have what we think are positive and constructive suggestions to make. We are ready to accept obligations in relation to our own production, provided the governments of States with whom we trade will accept corresponding obligations so that greater stability can be brought to our market. We are confident that if restraint on home production is balanced in this way by assurances of reasonable access for other suppliers, a floor will be put in the market in the interests of all. Moreover, this sharing of the market between home and imported supplies is not, as we see it, restrictive. Both our own farmers and our overseas suppliers will, we hope, share in an expanding market.

There are a number of other questions which would have to be considered in the context of an international agreement, for example, whether it is possible to make any provisions about minimum prices for meat going into international trade. We ourselves see a number of practical difficulties about this, but we hope that we can have useful discussions in this Group on these and other matters. We ourselves will enter these discussions in the hope that we shall be able to make constructive contributions while retaining some flexibility about the means by which the objective can be reached.

In general we hope that this Group will be able in the fairly near future to reach some conclusions about the principles which should govern the international trade in meat. We recognize however, that it may take some time to work out details covering the whole field, and we believe that temporary arrangements will be needed on a more limited basis. In particular, my Government feels that it will be necessary to take early action to stabilize the United Kingdom market. We are ready to make agreements with our traditional suppliers which might well be put later into a wider context. In these interim agreements we should be prepared to impose restraint on home production early in 1964, provided the corresponding and balancing obligations can be accepted as soon as that by our suppliers. I would emphasize however, that we would regard these arrangements as interim and provisional, and would wish them to be subsumed as soon as possible into an international meat agreement in the Kennedy Round.