

## **EU Myth busting speaker notes**

Constitution

Economy

Waste

Migration

Security

*Constitution: EU telling us what to do*

### **European laws are made by unelected bureaucrats**

The European Commission doesn't make laws. It only makes proposals which are then debated, amended and passed (or rejected) by elected national governments and directly-elected MEPs. In any case, Commissioners themselves are accountable to the European Parliament, which elects its president, approves its appointment and can dismiss it.

[Explain how legislation happens]

Not true. Firstly, we don't decide anything at EU level unless all member countries have explicitly agreed by treaty to do so — and even then, each piece of legislation is agreed by national governments. For sensitive matters like tax and foreign affairs, the requirement for this agreement is complete unanimity, and in other areas, there is a very high 'qualified majority' threshold. As a former Conservative UK minister admits, "It is very hard to find an EU regulation of significance that has been forced on an unwilling British minister who voted against it"!

### **Myth: Most of our laws come from Brussels**

Not true. The independent House of Commons library found that the real proportion is just 13.2% of our laws. And these figures include everything that even mentions the EU, even if it's just a "passing reference" or a definition, according to the researchers.

### **Myth: Europe is run by a sprawling bureaucracy**

The European Commission has fewer employees than a medium-sized city council in the UK

### **Myth: the European Parliament is a talking-shop**

In this way, the European Parliament is much more effective than national parliaments such as Westminster, as there's no compliant government majority to ensure that proposals are whipped through. Just think about it: it's headline news if MPs ever vote against the government's wishes

*Economy*

### **Myth: British businesses are clamouring for us to leave the EU**

You wouldn't believe it from the eurosceptic rhetoric, but in fact, both British businesses and inward investors have been emphatic that Britain must stay in!

- 85% of British manufacturers want us to remain in the EU, according to a 2014 survey by the British manufacturers' association EEF. The association represents 600,000 companies of all sizes.
- Small businesses support EU membership. The Federation of Small Businesses argued in 2014 that the EU is good for business, and 20% of its members trade overseas
- An independent poll of the top 500 British businesses in 2015 found that only 1% of boardroom bosses wanted to leave the EU.

EU economy faces problems largely caused by the euro, which we will never join, but is actually forging ahead in terms of the transition to a renewable economy. The U.K. is lagging behind and would fall further back if we were to leave.

### **Myth: British businesses are drowning in red-tape**

One man's red tape is another man's environmental and social regulation. We need rules to control corporations and EU is the right place to make them.

Climate Protection: The EU has led the way internationally for setting mandatory carbon reduction standards and has set ambitious climate and energy targets, putting the EU at the forefront in tackling climate change and well placed to influence major polluters like China and the US

- 40% reduction in greenhouse gases
- 40% saving in energy use
- Increase in proportion of renewable energy to 30%

Air Pollution: air pollution causes 29,000 premature deaths per year in the UK, reducing the average life expectancy by 6 months. In the most polluted parts of London, air pollution is responsible for over 8% of deaths.

- EU strategy to tackle this has three main elements:
- Sets national annual emission limits
- In 2014, the European Commission launched legal proceedings against the UK for failing to deal with air pollution.

When we get it right, EU legislation is an exercise in cutting red tape! After all, we need common rules for the common market to protect workers, consumers and the environment

When we replace 28 divergent sets of national rules with a single set of pan-European rules, we can cut duplication and compliance costs. Just one example: it's now possible to register a trademark once, valid across 28 countries, instead of having to do 28 different sets of form-filling, registering, troubleshooting and fee-paying

EU technical standards are generally drafted and agreed by the industry themselves. This means that most standards are based on the national regulations that they replace, rather than brand new requirements. Of course, we would need those rules anyway, but sharing them across the entire market means businesses only have to work to one set of standards rather than 28

Simplifying the compliance framework for businesses in particular has been a major priority of the European Commission in recent years. The REFIT programme is a rolling scheme to evaluate, simplify and repeal rules. If anything we have too few regulations not too many!

### *Waste*

#### **Myth: EU membership costs us a fortune**

Not true. In fact, our own (rather eurosceptic) government estimates that EU membership is worth £3000 a year to every British family. And the budget for the whole EU is just 1% of GDP, compared to about 49% spent by national governments. That's just 2% of our public spending each year.

Each country pays a contribution to the budget proportional to its wealth, so wealthier countries pay more. The exact amount varies each year, but over the seven-year cycle 2007-2013 our net annual contribution was £3.8 billion, or about £63 per person. The UK's contribution is actually much lower than other similar sized economies such as Germany and France, partly because we get a special rebate

This contribution must be weighed against the financial benefits of our access to the single market. In 2011, the UK government estimated this to be between £30 billion and £90 billion per year — so a return on investment of between 800% and 2370%

Many thousands of projects in the UK benefit each year

#### **Myth: The EU accounts have never been signed off.**

There is a persistent myth (reliably recycled every year by UK newspapers) that the European Court of Auditors has refused to sign off the EU's accounts, but this is entirely false

In the most recent audit year (2013), the Court gave a clean bill of health to the accounts for the seventh time in a row. This means every euro spent from the EU budget was duly recorded in the books and accounted for

According to the European Court of Auditors, around 0.2% of the EU budget may have been subject to fraud. Any amount of possible fraud is unacceptable and needs challenging. But it's worth noting that the figure of 0.2% is much lower than most national budgets

### *Migration*

#### **Myth: Britons lose out because of EU migration**

Not true. British people are the EU's biggest beneficiaries of the right to settle anywhere in the EU: more British people live in other EU countries than any other nationality! And there are about as many Brits living elsewhere in the EU as there are other EU nationals in Britain

In reality, only 3.6% of the UK population is from another EU country. Most migration in the UK is from outside the EU, which means freedom of movement rules don't apply and it's completely up to the British government how to manage this migration

And EU migrants are net contributors to the economy. Between 2001 and 2011, they contributed 34% more in taxes than they took out in benefits and services

Compared to the UK average, EU migrants are more highly educated, more likely to be employed, and much less likely to claim benefits

## *Security*

Perhaps the greatest myth of all is that we joined the EU as a single market. We actually left a free trade zone (EFTA) to join the EU, specifically because we felt free trade was not enough. The Wilson government, setting out its reasons for applying in 1967, stressed that “Europe is now faced with the opportunity of a great move forward in political unity and we can — and indeed we must — play our full part in it”. And before the referendum in 1975, national newspapers on both left and right were clear that political, not just economic, integration was proposed and would be a positive outcome.

The reality is that the European Union was established in the week of the second world war by men who had fought in the war and wanted to make sure that wall never happened again in our continent. In that aim they were hugely successful.

The founding fathers of the EU, and they were all fathers, also aims to build a consonant of stability and with high standards for citizens with the market was controlled to work for all. In this they have also been hugely successful which is why I continent is a beacon in terms of human rights and social welfare and in fact ironically why people of flooding to get to from other parts of the world.

There is disgruntlement in the country and this is the result of globalisation and the excessive power held by corporations. That's the place to battle that and to stand up to the corporations has to be above the national level. It clearly makes no sense at all to attempt to challenge corporate power within the UK when corporations operate beyond national borders. I see this during my work on corporate taxation.

We are in a time of crisis and this causes people to act with fear and to seek to find somebody to blame. But actually in a time of crisis we need to stand strongly with our European neighbours we need to cooperate for mutual security. Never has it been more important for us to be a member of the European Union.

## *Additional points*

### **Myth: Switzerland and Norway survive perfectly well outside the EU**

Switzerland and Norway are both small countries with specialised ‘niche’ economies: Switzerland with its often-criticised banking system, and Norway with its massive oil reserves

But their industries have to follow EU rules as that's their main market. As non-members, they have no say over the adoption of those EU rules. They cannot defend their interests. They have, effectively, lost sovereignty through their isolation — as the Norwegian government itself admits

Nor does staying out save money — the Norwegian contribution per capita to the European budget is about the same as that of the UK! For the Norwegians, being non-members, it's taxation without representation

### **Myth: EU health tourism costs the NHS millions**

In fact, official figures from the Department of Health show that the opposite is true! The cost to other European countries of treating Brits abroad is more than five times the cost to the NHS of

treating EU visitors here. In other words, we benefit enormously from the EU rules, without which the NHS would be £125 million worse off each year

This is not really a surprise. Brits who travel abroad tend to be older and so the healthcare they get abroad is more expensive. Other EU citizens who come to the UK are relatively younger and healthier, so they are less likely to need medical treatment while they're here

**Myth: The European Court of Human Rights is forcing us to...**

The European Court of Human Rights has nothing to do with the EU. It's an entirely separate institution, with separate membership, set up by Britain after World War II to enforce the Convention on Human Rights which we helped to write. Britain has always been a signatory to this convention, and leaving the EU wouldn't change that

Incidentally, despite the widespread myth that the European Court of Human Rights and the UK are forever at loggerheads, figures show that the Court rules against the UK in less than 1% of all the cases we're involved in

**Myth: Our most important markets are China and the US, not the EU**

Not true. The EU is the world's biggest single market, and it's far and away our biggest trading partner, amounting to well over half of our world exports. Indeed, we export more to Holland alone than to the entirety of the Commonwealth

The same applies to our imports, with European countries providing about two thirds of our incoming goods and services