



EU BASICS  
YOUR GUIDE TO  
THE REFERENDUM

**Polling Day**

Thursday **23 June 2016**



“On Thursday 23rd June we will together decide the future course of Britain.”

“For me it is a choice to continue to play a leading role, working with our friends and Allies in our ambition to build an even more peaceful and prosperous future for our children or whether to gamble that this country’s interests are best served by leaving decisions about our continent to others and withdrawing from the largest and most powerful economic group.

Today Britain is one of the world’s great powers – admired and respected. Our debate on future membership of the European Union is being closely watched and what we decide will reverberate around the world.

This great decision is in voters hands and it is for you to make up your own minds. We hope this pamphlet will help you to think about the great issues for yourself, aid you in reaching your own conclusion and encourage you to vote.”

*Laura Sandys*

LAURA SANDYS, CHAIRMAN  
EUROPEAN MOVEMENT

It is for you to decide

## How much do you know already?

Many people claim to know a lot about the EU but many more say they do not know enough about the facts. Here is a short quiz to test yourself – it will help us all agree some basic facts.



- Q1 What percentage of Britain’s exports go to the EU?  
 Less than 20%  20-30%  30-40%  40-50%  More than 50%
- Q2 How much of your tax goes to the EU?  
 Less than 2%  2-4%  4-6%  6-10%  More than 10%
- Q3 Rate the following in size of Economy.  
 China  EU  India  USA  Japan
- Q4 How many people work for the EU commission?  
 35,000  75,000  150,000  250,000  400,000
- Q5 How many new UK laws originate in the European Union?  
 Less than 5%  5-15%  15-30%  30-50%  More than 50%

A1: 40%-50% A2: Less than 2% A3: EU, USA, China, Japan, India A4: 35,000 A5: 5%-15%

Let’s start at the beginning

## European Union basics

### In the beginning: the Schuman Declaration 1950

Six countries agree to form a European Coal & Steel Community (ECSC) under a shared "High Authority" to create a single market for coal and steel in the belief that this will make a future war in Europe impossible.

### Success leads to the Treaty of Rome 1957

ECSC replaced by the European Economic Community (EEC) to build a single social market economy in Europe for all those countries which wish to join. Britain does so in 1973.

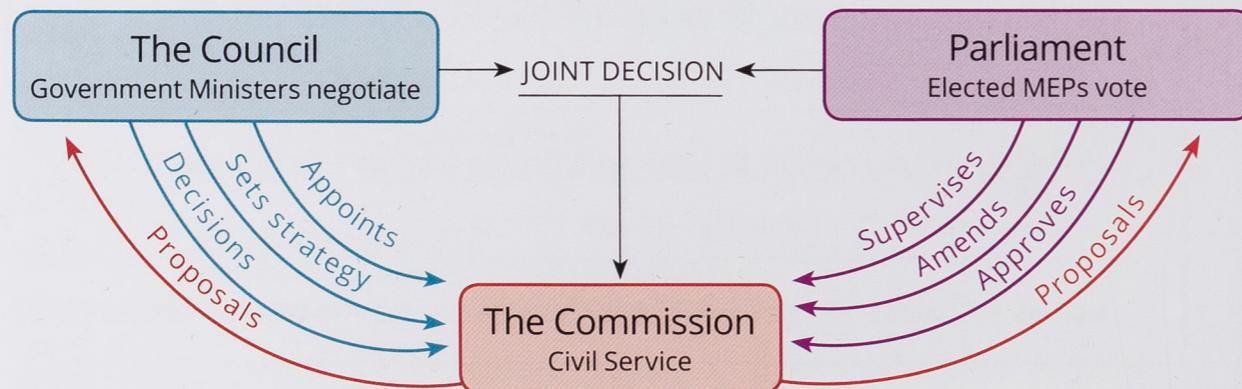
### Maastricht Treaty: The EU & the Euro 1992

The foundations are laid for the European Union and the Euro. The former Warsaw Pact countries are invited to apply for membership following the Fall of the Berlin Wall. Expansion requires new ways of reaching agreement.

### Lisbon Treaty: greater democracy & transparency 2007

A new consolidated Treaty sets limits to the power of the EU and introduces greater transparency, democracy and accountability.

The EU institutions enable 28 very different and diverse countries to work together in growing their economies and best meet challenges such as terrorism and climate change.



## A treaty organisation of sovereign states

## How does it work?



### There are three main institutions:

**The Council** is similar to the UK Cabinet. It is made up of the Heads of Government and Ministers of the Member States. It sets the strategy and takes decisions. The President is the Chairman who facilitates agreement but has little power.

**The Commission** is the Civil Service. Staff are recruited on merit with the Commissioners heading each department being appointed by the Council and approved by Parliament. Their job is to research and produce proposals for the Council and Parliament to consider. If proposals are approved then it is their job to implement them.

**The Parliament** is directly elected by the people and the last election was in 2014. Its main job is to amend proposed legislation and to approve or reject it. It has also the power to dismiss the Commissioners. The President is like the Leader of the House of Commons.

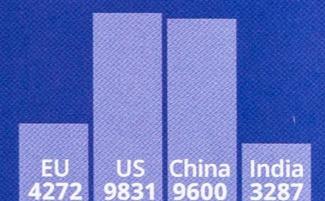
The Member States have come together to secure peace and greater prosperity. By sharing a little of their sovereignty in common institutions they can do more together than they can alone.

#### YEAR JOINED

- 1957
- 1973
- 1981-86
- 1995
- 2004
- 2007-13
- Non member

#### SURFACE AREA

x1000 km<sup>2</sup>



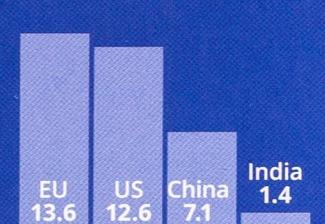
#### POPULATION

Millions (2015)



#### SIZE OF ECONOMY

GDP € (trillions)



#### CIVIL SERVANTS

42,500 EU total  
400,000 UK total

## Single Market Economy or Free Trade?

Economies of scale lower costs; bigger economies have lower prices and are more competitive. A larger economy has more leverage to negotiate favourable Free Trade Agreements. In 1973 Britain left the European Free Trade Area (EFTA) to join the European Economic Community (EEC). Both theory and history show a given area will grow faster as a Single Market economy than as an FTA. In the EU we benefit from being a part of the world's largest economy.

For every £1 spent by the EU the economy has grown an extra £10.

**Free Trade Agreements (FTAs)** encourage trade in goods but not services, capital or labour. Many tariffs and restrictions remain. The EU has negotiated more FTAs than anyone else and they include more goods and services.

**The EU has the best of both worlds.** It is the world's largest economy AND has the most FTAs. If we leave we will have to start again.



The EU promotes trade ...

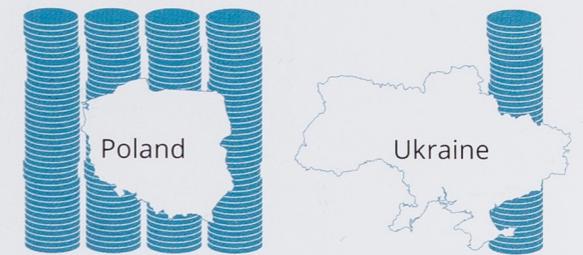
## The economic path to prosperity

Prosperity comes from peace and economic development. Examples of how the EU has encouraged growth are cutting business costs by removing borders, creating a common currency, replacing 28 national sets of paperwork with a single set and investing in transport and energy networks. Research & Development (R&D) grants encourage the birth of new companies and help the EU stay at the forefront of technology. Regional development funds encourage new initiatives to create jobs.

A Comparison:  
Poland vs. Ukraine

Two countries with similar areas, populations and almost identical economies in 1990. Poland joined the EU, Ukraine did not.

After 25 years Poland's economy is now 4x larger



**The EU 2015 plan for growth**

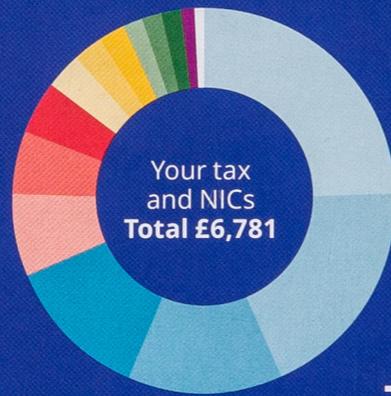
- Completing the single digital and financial markets
- New trade deals in Canada, USA, India and others
- Investment in the EU energy network
- Investment in aviation strategy
- Simplifying regulations for small businesses

This plan will add 7% additional growth to the UK economy

...and helps grow the UK economy

## How much does the EU cost me?

Only 1% of Government expenditure goes to the EU. Your income tax statement has a chart like this example from 2014 for someone earning £30,000/year.



### Your contribution

Welfare	£1,663
Health	£1,280
Education	£892
State pensions	£822
National debt interest	£475
Defence	£360
Criminal justice	£298
Transport	£200
Business & industry	£186
Government administration	£139
Culture sports, libraries, museums	£114
Environment	£112
Housing & utilities eg street lights	£111
Overseas aid	£78
→ UK contribution to EU budget	£51

All figures are rounded and latest average weekly earnings total £25,532/year.

## How is Britain doing after 43 years in the EU?

**5th**  
World's largest economy

Highest ever number of jobs

**31m**

Highest ever in work

**↑73%**  
Near record low unemployment  
**↓5.2%**

**6th**  
Easiest place to do business



**10th**  
Most competitive country

## Some of the benefits to Britain



By being part of the world's largest economy



From record levels of foreign direct investment



Receiving the lion's share of EU R&D budget more than £1bn/year



Availability of seasonal labour for agricultural & hospitality industries



Compliance with a Single regulatory regime with global acceptance



Hosting more than 200,000 overseas students bringing £3.7bn/year into UK

### Lower prices

**↓20%** = £4,000

Right-hand drive cars

**↓40%** = £80

Cost of flights

**↓70%** = £60

Call roaming charges

### Our food

The common agricultural policy (CAP) has ensured all Europeans have secure supplies of safe food of the highest quality at fair prices. Since Britain joined the average spend on food for a family has halved from 30% to 15% of household budgets.

Britain's farmers have benefited and the food and drink industries too. From supermarkets to farmers markets we are now offered an unprecedented range and quality of food and drinks.

In all these sectors there are more jobs – thanks to the EU

No brand or company endorsement is implied by the use of these photos.



Airbus



Food & drink manufacturing



Agriculture



Car manufacture



University students



Research & development

## Peace and democracy

The countries of the European Union have enjoyed an unprecedented 71 years without a war – a whole life-time. The EU and NATO work together to keep the peace for us. EU economic sanctions brought Iran to the negotiating table and the signing of the nuclear weapons deal. No two members of the European Union have ever been to war. The same cannot be said for NATO: 1974 saw Turkey invade Cyprus.

### British Values

14 of the present 28 member states were dictatorships or totalitarian regimes when the UK joined the EEC in 1973.

Former military dictatorships  
Spain Portugal Greece

Former Yugoslavia  
Croatia Slovenia

Former Warsaw Pact  
Bulgaria Czech Estonia  
Hungary Latvia Lithuania  
Poland Romania Slovakia

All these countries now share Britain's values; freedom, the rule of law and democracy.

### How Britain has benefited

#### Northern Ireland



The Good Friday Agreement was implemented with the help of €2.4bn of EU funds which paid for the dismantling of the watchtowers, fences and border posts that failed to keep out the IRA terrorists. Today there is no sign of a border except the sign itself!

#### Gibraltar



After 16 years, Spain opened the border so they could join the EU. Today, 10,000 people cross daily from Spain to work in the new economy, based on tourism and financial services.

Europe has become more like us

## Britain as a global power

Britain is a member of more international organisations than any other country. We sit at all the top tables; UN, NATO, EU, Commonwealth, G8, IMF, World Bank etc., and we are able to use our unique network to influence the course of world events. When Britain decides, as in the case of the vote not to bomb Syria, the world listens.



If we leave the world's most powerful economy we must ask "Will this damage our standing, reduce our influence?"



Barack Obama  
44th President of the United States

"A strong Europe is not a threat to Britain's global leadership; it enhances Britain's global leadership."

### Will Britain survive a leave vote?

In the event that Scotland votes to remain and England votes to leave, will it be long before there is another Scottish Referendum?



What future for Britain?

## What does it mean to be a citizen of Europe?

Today we are all European as well as British citizens. This gives us freedoms, rights and privileges we might not otherwise enjoy. And we have the freedom of a whole continent in which to travel, live, study and work without let or hindrance.

### Our EU rights when abroad

Within the EU we do not need visas, residence permits, an international driving licence, or private health insurance. We are entitled to free legal advice and a translator if arrested. Outside the EU we can use EU consular offices around the world.

### Our rights at home in Britain

 <p>Your EU consumer rights</p>  <p>Return of goods and money back</p>  <p>Two year product guarantees</p>  <p>Compensation for travel delays</p>  <p>Clear labelling</p>	 <p>EU rights for workers</p>  <p>Limits on working hours</p>  <p>Equal treatment for contractors and employees</p>  <p>Maternity leave</p>  <p>Statutory holiday</p>
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Whatever the outcome of the vote your human rights will not be affected.

At home we have EU rights & benefits



Our passports, driving licence and health card all carry the imprint of the European Union and are valid everywhere in the EU.

If we leave, new documents will have to be issued by the UK Government.

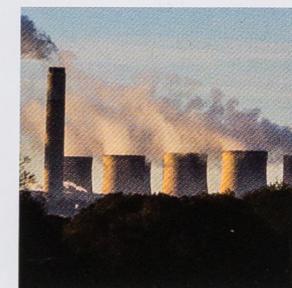
### The environment

The air we breathe, our rivers, lakes and beaches are all much cleaner now thanks to EU environmental standards.

Britain used to be known as the 'Dirty Man' of Europe. Sulphur dioxide from our power stations used to cause acid rain that was killing the forests of Europe. Now cut by 90% the forests are regenerating.

Our beaches were infamous, raw sewage used to be a common sight. Now more than 600 fly the Blue Flag.

Only EU enforcement action made the British Government take action.



Power station



Blue Flag beach

## Immigration

This word is used to mix and confuse three different issues.

		
<p><b>EU citizens</b></p> <p>All EU citizens have the freedom to live and work anywhere in the Union. This is important for the European economy as people can travel to where the jobs are. Many Brits did this in the 1980's when unemployment was high in the UK.</p>	<p><b>Non-EU citizens</b></p> <p>People coming to the EU, many illegally from Africa and Asia, in search of a better life. They need UK visas &amp; residency permits.</p>	<p><b>Refugees</b></p> <p>Recently this has become a major problem with large numbers of people fleeing the conflict in Syria. Many EU countries are offering sanctuary by allowing refugees to take up residency.</p>
<p>Full UK border controls apply. Criminal gangs are trafficking people.</p>		

Many British leaving for the Continent go to live in retirement in a warmer climate. Few, if any, Continentals retire to the UK. Overall Britain exchanges a large number of retirees for young healthy workers and students who benefit the UK Exchequer by more than £2bn/year. Numerous complex factors drive immigration and employment.

So, leaving the EU will make little difference to the numbers coming or the cultural diversity of modern Britain or the job opportunities for British citizens. Refugees and illegal migrants are a common challenge for all EU countries, one we can better meet by working together.

## A shared challenge

## What do others say?

Sometimes it helps to listen to what those who see us from outside are saying. Here are some comments from world leaders.

### Xi Jinping *China*



"China hopes to see a prosperous Europe and a united EU, and hopes Britain, as an important member of the EU, can play an even more positive and constructive role."

### Julie Bishop *Foreign Minister, Australia*



"Australia believes it would be in our interest if a strong United Kingdom remained a part of the European Union."

### PM Modi *India*



"Modi said he would not risk telling Britons how to vote but instead extolled the benefits to India of Britain's presence within the 28 member bloc."

Reuters

### Christine Lagarde *IMF*



"A Brexit could do severe regional and global damage by disrupting established trading relationships."

### Roberto Azevedo *WTO*



"Britain risks losing influence in trade negotiations if it leaves the European Union."

### Angela Merkel *Germany*



"We need a strong United Kingdom with a strong voice inside the EU. If we have that we will be able to make the necessary changes for the benefit of all."

We are unable to identify anyone of similar stature who has spoken in support of Brexit.

## It's your vote, your decision

We all want the best future for ourselves,  
our children and our country.  
How can we decide which way to vote?

## Questions to ask yourself

- ★ Has the European Union been a success?
- ★ Is Brussels any better or worse than Westminster, or a local council?
- ★ What will happen if we leave?
- ★ Will the result make any difference?
- ★ What will be best for me and my family?

Information to help you find the answers to these and many more questions is in this booklet. In the on-line version you will find links to more detailed descriptions and references to sources to help you do your own research.

The European Movement is an independent grass-roots all-party organisation promoting information and education about the European Union. It is campaigning for Britain to remain a member of the EU.

Also available online at  
[www.euromove.org.uk/eubasics](http://www.euromove.org.uk/eubasics)

## Keeping Britain great

 [info@euromove.org.uk](mailto:info@euromove.org.uk)

 European Movement UK

 @euromove

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