



**Conservative  
Group for Europe**

## **Factsheet 14: Putting the Record Straight - 10 Referendum Campaign Myths**

### **1. If we left the EU we would regain control of our borders and slash immigration**

In fact, we retain control of our borders and can check the passports of everyone entering or leaving. We retain the right to exclude EU citizens on grounds relating to security or serious crime. Britain has complete control over immigrants coming from non-EU countries but despite this their number still exceeds immigration from Europe. Free movement within the EU is associated with other benefits for Britain: the ability of Britons to work and live throughout other EU members states and access to the Single Market.

### **2. EU migrants come to Britain and either steal our jobs or leech off our benefit system**

Britain has a record number of people in employment. Since 2010 1.5 million new jobs have been created for British citizens and unemployment has recently fallen to 5% - which is close to full employment. Thus there is little evidence that EU, or other, migrants are depriving British people of jobs. On average EU migrants have a higher rate of educational attainment than the UK host population and in the first decade of the century they contributed a net £20 billion in tax revenues compared with the benefits they received. EU migrants are more likely to be in work than the host population. Under the Prime Minister's renegotiation package, EU migrants will not be able to access full UK benefits until they have been in Britain for at least four years, will not be able to claim universal credit whilst they look for work and if they haven't found work after six months they can be required to leave.

### **3. David Cameron's 'renegotiation' achieved nothing worthwhile**

On the contrary, that view is only taken by those who all along set the Prime Minister up to fail. In fact, the Prime Minister obtained major changes that give Britain a special status in the EU. He obtained recognition that the United Kingdom is not committed to the objective of 'ever-closer Union'. He got recognition that the EU is a multi-currency zone, obtained important safeguards for Britain and other non-Eurozone member states and received a guarantee that we will never be liable for a Eurozone bail-out. He obtained an 'emergency brake' that means that EU migrants will have to wait at least four years before they enjoy full access to our benefits system. He also obtained commitments that the EU will move rapidly ahead with completing the Single Market in capital, energy and services.

### **4. The EU is undemocratic and the Brussels bureaucrats run the show**

This isn't true. In fact the real power in the EU lies with the European Council, made up of the heads of government of the member states, and the Council of Ministers. National Ministers are, in turn, accountable to their national parliaments. The directly-elected European Parliament also has an important voice in shaping EU legislation. Whilst the European Commission acts as the Executive for the EU, it is appointed by the member states every four years, can be dismissed by the European Parliament and is accountable to the Parliament for its work programme. Under pressure from Ministers, the current Commission has slashed the volume of legislation and new regulations.

### **5. Europe is always telling us what to do - 60% of our laws are made in Brussels**

Important legislative or policy decisions are taken by the Council of Ministers in which British Ministers play a leading role. Under Margaret Thatcher's Government there was agreement to adopt more majority voting in order to take decisions faster in agreeing rules for the Single Market. This was in our national interest. Within the EU we have agreed that there are policy areas where it makes sense to work with our neighbours and partners

- such as the Single Market, agriculture, competition policy and the environment. Britain is no more 'told what to do' by the EU than we are party to telling Germany or France 'what to do'. It is a two-way street. According to the House of Commons Library about 13% of our substantive laws are made jointly with other member states. Much of EU legislation relates to technical standards and it is misleading to compare much of it with, for example, a UK Education Act.

For a Single Market, based on a common corpus of standards, to function effectively there needs to be a means of resolving legal disputes which is where the European Court of Justice comes in. The primacy of EU law in clearly defined areas is a long-standing part of EU membership - it enables countries that breach the rules to be held to account.

#### **6. We don't have any influence and are always on the losing side when it comes to votes**

This isn't true. Britain was the prime mover in the creation of the Single Market and one of the principal advocates of bringing the former communist countries of Central and Eastern Europe into the EU. It works with allies such as Germany, the Netherlands and the Scandinavian countries to advocate a liberal approach to international trade and frequently with France in promoting joint European foreign policy initiatives. Since 1999 we have voted against a final decision on 56 occasions but have been on the winning side 2,466 times. It is, however, true that we don't do well when it comes to votes in the Eurovision Song Contest - but that isn't an EU institution.

#### **7. Britain's economic performance is held back by the EU**

Britain has done very well since we joined. Of course, because we are an independent country with control over our economic policies, the most important factor in determining our economic performance is the reforms we have made at home. Nevertheless the EU Single Market and the EU's external trade deals provide Britain with a benign and relatively stable environment. According to the Institute for New Economic Thinking at Oxford University, since we joined in 1973, Britain's per capita GDP has grown by 103%, edging out the US on 97% and Germany on 99%. Since 1998, in real terms Britain has grown by 38%, a figure exceeded amongst rich European countries only by Sweden. Our performance has out-paced the US and Canada suggesting that the EU is not a burden for Britain.

#### **8. The EU is a vast bureaucracy strangling Britain in red tape**

The EU gives us a stable extended home market of over 500 million people which enables British companies of all sizes to do business from Birmingham to Brindisi whilst following just one set of product standards - that means less red tape for our exporters. EU regulations have not harmed Britain's competitiveness, we rank 6<sup>th</sup> in the World Bank's Doing Business Index which rates how easy it is to operate in 192 countries. The OECD judges the UK to have one of the most liberal labour markets amongst advanced economies. In the Global Competitiveness Index Britain ranks 10<sup>th</sup>, albeit we could improve whilst remaining in the EU, since four other member states rank above us - Germany, Holland, Sweden and Finland.

#### **9. Britain is being sucked in to a European Super-State against our will**

The process of European economic integration started with six countries in the mid-1950s. 60 years on there is still no Super State. With 28 countries able to veto new treaties it is unlikely that there ever will be. Under legislation introduced under the Coalition Government, Britain must hold a referendum if a significant transfer of sovereignty is proposed. We have a special status in the EU but outside the Euro, outside Schengen and with an explicit exclusion from 'ever-closer union'. We have a veto over radical proposals in areas like the creation of a European Army.

#### **10. Britain pays £350 million a week to the EU which would be better spent on the NHS**

Britain's net contribution - after the rebate and accounting for EU spending programmes in Britain - is £120 million a week. This makes us a smaller contributor than Germany or France. On a per capita basis Britain is the eighth largest contributor. By way of comparison, research for the CBI indicates that membership of the EU delivers an economic benefit per head of £1,225 annually. Every major institution - such as the independent Institute for Fiscal Studies or the IMF - that has reviewed the economic impact of Brexit has concluded that it would be a significant risk to the economy. It would reduce investment, increase unemployment and create a significant hole in the public finances - meaning that services like the NHS would likely be subject to cuts rather than receiving additional funds. This is why leading figures in the NHS advocate that Britain should remain in the EU.

