White Paper on the Membership of the European Communities: Implications for lreland (Dublin, April 1970)

Caption: Published in April 1970 by the Irish Government, the white paper on the subject of Ireland's accession to the European Economic Community (EEC) analyses the economic, political and social consequences of membership.

Source: Membership of the European Communities: Implications for lreland, Laid by the Government before each House of the Oireachtas, April 1970. Dublin: The Stationery Office, April 1970. 138 p.

URL:
http://www.cvce.eu/obj/white_paper_on_the_membership_of_the_european_communities_implications_for_lreland_dublin_april_1970-en-ab6e77c3-5b19-45af-b429-3444ced4e104.html

Publication date: 24/10/2012

White Paper on the Membership of the European Communities: Implications for Ireland (Dublin, April 1970)

[…]

The principal implications which emerge are

- accession to the Communities would involve an amendment of the Constitution;

- as regards the political implications of membership, the EEC is still at an early stage in its political evolution and its members are at present bound only by the terms of the Treaty of Rome, which does not impose specific obligations in the political field. As the Communities evolve towards their political objectives, those participating in the new Europe thereby created must be prepared to play their part in achieving those objectives. Ireland would have a voice in the shaping of the political development of the Communities as in other aspects of their activities;

- for industry in general the expectation is that, while there would inevitably be problems in the shorter term, the gains from EEC membership would be progressive and, in the longer term, would significantly outweigh any losses that might occur. It is expected that access to the enlarged Common Market would considerably enhance the attractions of Ireland as a base for new foreign industrial investment. While our grants for encouraging industrial development would come under review in the Community it is considered that they are in keeping with the objectives of the Treaty;

- membership would provide improved outlets at remunerative prices for most of our agricultural production. The areas of agricultural production which would be most likely to benefit are cattle and beef, milk and dairy products, sheep and lambs. Producers of pigs, poultry and eggs would have to meet higher feed costs but the effects could be offset by more efficient production. Cereals might show a swing from wheat to coarse grains with perhaps no significant overall change in acreage. Production of sugar beet and potatoes might show little change. Horticulture would be likely to encounter difficulty, due to increased competition from Community supplies;

- it is tentatively estimated that the volume of our gross agricultural output by the latter years of the decade could be of the order of 30-40 per cent over the present level;

- higher prices for agricultural products could result in an increase of 11-16 per cent in food prices which, allowing for some change in the present pattern of consumption, would result in an increase of 3-4 1/2 per cent in the consumer price index; the increase would be spread over the transitional period;

- it is not considered likely that the Treaty requirements for free movement of workers would have any significant effect on the Irish labour market;

- as regards fiscal policy, the main implication is the requirement to introduce the added-value system of sales taxation, which could entail changes in the general tax structure;

- so far as economic and monetary policies are concerned, membership of the Communities would involve the coordination of Irish policies with those of the other member States but in general our economic policies are consistent with those of the member States;

- the cost of implementing the principle of equal pay in the private sector cannot be readily estimated. Abolition of sex-differentiation in pay, in the public sector would cost £1.25 million per year; if, in consequence, marriage-differentiated scales were to be abolished and related adjustments made in the pay of grades consisting entirely of women, the total cost would exceed £9 million a year;

- it is estimated that Ireland's contribution to the cost of running the Communities could be of the order of £19 million a year as from the end of her transitional period but might well be less. Membership would give rise to a saving of at least £36 million a year in Exchequer support to agriculture.

[...]

Implications for Irish Agriculture

5.11 In the paragraphs that follow, the main implications which membership of an enlarged Community would have for Irish agriculture are considered under the following broad headings:

(1) principal commodities and increase in agricultural output,
(2) harmonisation of animal health and plant health measures,
(3) State aids, and (4) trade in agricultural products. The implications for fisheries and the effects on food prices are dealt with in paragraphs 5.21 to 5.23. As no decisions have yet been taken on the Commission's recommendations for the reform of the structure of agriculture and as it is not clear how far these may yet be modified or applied in an enlarged Community, it is not feasible at this stage to make a meaningful assessment of their implications for Ireland.

5.12 It should be noted that the assessment made is based on the full application here of the EEC régime at the final “single market stage” in each case for the main commodities and that prices have been converted at current rates of exchange. Accordingly, exceptional measures of a transitory nature, such as those taken by the Community during 1969 arising from the devaluation of the French currency and the revaluation of the German currency, have been ignored. The terms “target price” and “guide price” used in these paragraphs are practically synonymous - the former being used in the case of cereals, dairy products and sugar and the latter in the case of beef. A target or guide price is not a guaranteed price but rather the level of price which is aimed at in the internal market of the Community.

[…]

Commodities

5.13 The following is a summary of the position for the main agricultural commodities:

(i) Cattle and Beef: The common guide price for cattle in the Community is 287s. 10d. per live cwt. This is approximately 60 per cent above the level of Irish prices for fat cattle in 1969. Thus, even allowing for the fact that any intervention or support measures would operate at about 7 per cent below the guide price and for the fact that transport costs to export markets would have to be covered, it is clear that cattle prices here would show a very substantial increase which should serve as a strong stimulus to increased beef production.

The long-term outlook for beef in an enlarged Community on the basis of OECD forecasts for the period up to 1985, is one of consumption exceeding production leaving a sizeable deficit to be met by imports. On the basis of these forecasts the long-term outlook for Irish beef is good. Of course, this situation could be affected by many factors such as trends in consumers' income, beef prices and the prices of other meats, and from the production aspect the relative profitability of different commodities, structural improvements, increased productivity and technical progress.

The value of exports of cattle and beef would increase significantly. Having regard to our geographical position our main export market for cattle and beef would probably continue to be the U.K. but some increase in exports to the present member States could be expected following the termination of the customs duty and import levies. Under the EEC system, the present arrangements for the support of exports of beef to the U.K. would have to be terminated as would, of course, British deficiency payments which apply to Irish store cattle fattened in the U.K. In an enlarged Community there would be a possibility that fat cattle exports might increase at the expense of store cattle and carcass beef in view of the termination of the support payments referred to. On the other hand, the efficiency of the present beef factories should offset any such tendency and developments in regard to transport could also operate in favour of the carcass meat trade. As regards store cattle, an important factor would be the traditional and long-standing nature of the trade. It should be borne in mind that the store cattle trade developed before there was any price support for cattle in Ireland or the U.K. and that for many years it thrived and prospered in conditions of equal competition with exports of fat cattle. Ireland should continue to be in the best position in an enlarged Community, to supply store cattle to the U.K. but the raising of cattle prices here and in the U.K. to a common level could make Irish store cattle less attractive to British feeders. Also British demand for Irish stores might be somewhat weakened by the effects on British beef farming of the U.K.'s entry into the Community. There might also be an opportunity for developing exports of store cattle to Continental countries of the Community.

As regards imports, our quantitative controls and tariffs on beef would have to be abolished *vis-à-vis* member States and replaced by the Community arrangements *vis-à-vis* non-member countries.

(ii) Milk and Dairy Products: The common target price for milk (delivered at dairy) to with 3.5 per cent butterfat 3s. 9d. per gallon. The average price for manufacturing milk (with an average butterfat content of 3.5 per cent) the Irish farmer in 1968 was about 2s. 4d. per gallon (including about 3.4d. a gallon for skim milk). The target price is not, however, a guaranteed price for producers but is defined as the price which it is aimed to maintain for all milk sold by producers during the dairying year within the limits of the outlets offered on the market of the Community and external markets. The capacity of Irish creameries and manufacturers of dairy products to pay their suppliers a return equivalent to the common target price would depend on the ruling prices of the manufactured products and on the efficiency of the manufacturing industry. The common intervention prices at present operating in the Community are 734s. 6d. per cwt. for butter and 174s. 6d. per cwt. for skim milk powder but the Commission has submitted a proposal to the Council to alter these to 602s. 3d. per cwt. for butter and 214s. 6d. per cwt. for skim milk powder. Even after allowing for such factors as the point at which intervention purchases of butter and skim milk powder could take place and the fact that the EEC target price for milk is not a guaranteed price, it is clear that membership of an enlarged Community would result in a substantial increase in the price of milk to Irish producers. (The EEC regulations on milk do not apply to liquid milk; a common regime for liquid milk has yet to be finalised.) An appreciable increase in the value of the output and exports of dairy products would also result. The application of the Community system for dairy products would mean that the present support arrangements for creamery milk would be terminated and replaced by the Community system. For example, the floor price for butter would be replaced by the Community intervention price and there would also be an intervention price for skim milk powder. In the short-term, the extent to which overall milk production would increase as a result of the higher producer price would be limited by such factors as the time taken to expand cow numbers and to raise the yield of milch cows.

It should not, however, be overlooked that the outlook for milk and dairy products in the present Community is one of continuing surplus and even in an enlarged Community the outlook, according to the OECD forecasts, would also be one of production exceeding consumption for some years to come.

The U.K. market would probably continue to be the main market for Irish dairy products. The quantitative arrangements for imports of butter and cheese into that market would, of course, have to be removed. The position in the U.K. market would be affected not only by the effects of EEC policy on British milk production but also by any special arrangements made for imports of dairy products into the U.K. from, as the U.K. has proposed, New Zealand. In a White Paper issued in 1967 the British Government stated that the application of the EEC system to the U.K. could be expected to reduce production.

Our import restrictions and duties would have to be abolished *vis-à-vis* other member States and replaced by the Community system so far as third countries are concerned. Irish creameries and manufacturers should, however, be able to meet any competition in the home market from imports.

(iii) Sheep and Lambs: A common organisation of the market has not as yet been introduced in the Community for sheep and lambs. Production and consumption in the Community are at present relatively small. Give the equal terms of competition with Continental and British producers which would result from accession, Irish production should fare quite well and the higher prices should stimulate late increased production. The bulk of our export trade would probably be with the U.K. but there should be scope for developing trade with some Continental member States.

(iv) Cereals: The common target prices for wheat and barley in the EEC are £45 and £40 8s. per ton, respectively, and the common intervention prices are £41 16s and £37 8s. per ton, respectively. It is estimated that allowing for costs of transport etc. the intervention prices which would be applicable to Ireland under the present Community arrangements might be about £39 per ton for wheat and £34 10s. per ton for barley. The comparable guaranteed prices here at present for grain of equivalent standard are £39 2s. per ton for wheat and £28 8s. per ton for barley. Thus, the application here of the EEC régime and prices would involve little change, or possibly a slight reduction, in the price of wheat and an increase of about 20 per cent in the barley price. (The foregoing price comparisons have been based on the assumption that in an enlarged Community the derived intervention prices for various regions would continue to be related to the common target price fixed for Duisburg as at present.) While there is no intervention price for oats in the EEC system, it is likely that, having regard to the level of the minimum import price for oats on which the levy is calculated and the level of the intervention price fixed for barley, the price to producers here for oats would also increase. It could, therefore, be expected that there would be some swing from wheat to coarse grains, especially feeding barley, but because of increased costs of inputs to the tillage farmer (e.g. if subsidies on fertilisers had to be terminated) and the relative increased attraction of the production of livestock and livestock products, the overall acreage under cereals might not be significantly affected. While Irish flour millers would be free to import their requirements of wheat either from other member States or from third countries subject to compliance with the regulations, wheat imported from outside the Community would be dearer than native wheat and the cost of imports from other parts of the Community would be up to the level of the Irish price. Irish flour millers could accordingly be expected to use as much native wheat as possible assuming that the quality met requirements.

The existing production quota system for Irish flour mills would have to be abolished as well as the requirement that a prescribed percentage of the quotas must be native wheat. With the freeing of imports from member States Irish flour mills could expect to meet some competition, especially from mills in Northern Ireland and Britain.

The prices of animal feedingstuffs would rise because of the higher grain prices on the domestic market and the increased cost of imported grain whether imported from other member States or from third countries. The existing quantitative import controls on animal feedingstuffs would have to be removed but the retention of some controls on animal health grounds might be necessary. As regards cereal seeds, the standards of our Seed Certification Scheme are higher in many respects than the EEC standards.

(v) Pigs: There is no common target or guide price for pigs in the EEC. Protection for the domestic producer is achieved by measures at the frontier, i.e. import levies and minimum import prices to restrict imports from third countries. There is, however, a basic price for pigmeat, which is used as a “trigger” point for determining intervention in the market. When the market price throughout the Community falls below this basic price and is likely to remain so for some time, intervention measures are applied and the prices at which intervention purchases are made cannot be below 85 per cent of the basic price. The current basic price in the Community is 317s. 6d. per cwt. deadweight and 85 per cent of this is about 270s. per cwt. However, this would be only the floor price represented by intervention purchases and market prices could be expected to be closer to the basic price. The average price paid at markets here for bacon pigs in 1969 was about 276s. per cwt. deadweight and so some increase in the production price for pigs would be likely

to result from membership of the Community. Feed costs would, however, be higher here than at present and there could be some reduction in the rate of profit per pig here, but this could be offset by more efficient production.

Ireland's pattern of exports would be unlikely to show any significant change, the bulk of the trade continuing to be with the U.K. where the existing quantitative import arrangement for bacon would have to be removed. Our existing restrictions would have to be abolished *vis-à-vis* other member States and replaced by the Community levy system so far as non-member countries would be concerned.

(vi) Poultry and Eggs: There are no target prices for poultry and eggs under the EEC system. Protection is provided against imports from outside the Community but within the Community there is free competition. In the light of the prices obtaining in the Community at present, there would seem to be little prospect of higher prices for poultry and eggs here on accession to the EEC. As in the case of pigs, feed costs here would increase with the higher grain prices. Accordingly, efficiency of production, processing and marketing would be vital and development of the industry on the basis of larger production units would help to meet competition from such units elsewhere in the Community. Irish production would probably continue to be mainly for the home market and exports might not be very significant.

(vii) Sugar-beet: The minimum grower's price for sugar-beet in the EEC for the year 1969-70 is 143s. 10d. per ton. This price applies only to a basic production quota in each member State, relates to sugar-beet of 16 per cent sugar content delivered at a collection centre and, in general, is based on the assumption that all pulp is returned to growers free of charge. The comparable Irish price for 1970-71 for sugar-beet of 16 per cent sugar content is about 159s. per ton plus 13s. per ton freight subsidy. The Irish grower can, however, buy dry pulp from Cómhlucht Siúicre Éireann at a specially reduced price. It has been estimated that the EEC grower is about 10s. per ton of beet better off than his Irish counterpart so far as pulp is concerned. Allowing for this and ignoring the freight allowances, the Irish price for sugar-beet is slightly above the EEC price. On the other hand, due mainly to lower refining costs, the current Irish ex-factory price for sugar is considerably below the EEC target price. Raising the ex-factory price to the level of the EEC target price should help towards maintaining the present beet price after Ireland's accession to the Community. As regards beet and sugar production after Ireland's entry into the Community, the position would be affected by numerous factors such as the level of any production quotas that might be fixed, the level of the common prices, any special concessions for Commonwealth supplies, as proposed by the U.K., and the relative profitability of other lines of production for farmers here. It would be hoped that any quota fixed for Ireland would enable Cómhlucht Siúicre Éireann to produce sufficient sugar to meet the full requirements of the home and export trades. There should be scope for increased exports of refined sugar to Northern Ireland and the adoption of the EEC sugar régime should not adversely affect our export trade in goods containing sugar.

(viii) Potatoes: A common organisation of the market has not yet been introduced in the EEC and pending information on the type of arrangements that might be adopted it is difficult to forecast what the effect of membership would be on commercial, potato production here. Having regard to prices prevailing in the EEC and the levels of production there, it is not expected that production of potatoes here would be affected to any great extent although the removal, on accession to the Community, of the British import restrictions might provide an outlet for some main-crop ware potatoes at certain times of the year. Irish seed-potato exports are already graded to higher standards than those in force in the EEC.

(ix) Horticulture: This sector of our agricultural industry would be likely to encounter some difficulty under EEC conditions. At present it is well protected both by import duties and quantitative restrictions and with the removal of these restrictions against member States there would be keener competition from Continental producers who have climatic and other advantages. This would apply in the case of apples, soft fruit pulp and onions. Producers here might have to accept lower prices for some fruit and vegetables and the level of production could decline unless the highest levels of efficiency were attained. This would be likely to apply in particular to the higher-priced items but not to the cheaper and more bulky items.

5.14 In brief, therefore, the position is that for cattle, sheep and lambs and milk, which account for 63 per cent of agricultural output, the outlook is favourable. For other livestock products, mainly pigmeat, poultry and eggs, which account for 16 per cent of output, costs of production are likely to increase with a consequential decrease in profitability per unit of production but this could partly be offset by more efficient production, particularly in larger units. As regards tillage, which accounts for about 15 per cent of output, barley production could be expected to increase at the expense of other cereal crops; sugar-beet production should be maintained or possibly increased somewhat while potato production should show little change. The most sensitive sector and the one most likely to meet severe competition is horticulture, which accounts for 3 per cent of output.

5.15 As there are so many variable factors involved, it is difficult to assess precisely the extent to which Irish agricultural production would increase on the basis of the full application here of the EEC agricultural régime. It has, however, been tentatively estimated that, assuming Ireland acceded to en enlarged Community at the beginning of 1973, the volume of gross agricultural output might be expected to show an increase by the latter years of the decade of the order of 30-40 per cent over the present level. Because of the change to higher producer price levels, the increase in the value of gross agricultural output would, of course, be considerably higher.

Animal and Plant Health

5.16 So far as the animal health directives already adopted by the Community are concerned, no serious difficulties are foreseen in complying with the standards prescribed in the directive governing trade in fresh meat. Many of the factories in the export trade have been modernised in recent years and most of them are well up to the EEC standards. They are also capable of handling an increased throughput. A small number of factories not up to the EEC standards would need to be improved. In the case of the directive on trade in live animals, however, certain matters arise which would require further consideration in view of Ireland's disease-free status and the nature of this country's trade in livestock with the U.K., some of which is a cross-border trade with Northern Ireland. Some special derogations might be needed if the present directive were applied without modification to an enlarged Community. The making of special arrangements to protect Ireland's position should not create serious problems since the main objective of a common animal health policy for the Community is to protect and improve animal health in the member States.

5.17 As regards plant health, such measures as have been adopted to date by the Community would not create any problem for Ireland but, as in the case of animal health, it is likely that in connection with the general harmonisation of plant health measures in an enlarged Community particular issues would arise for Ireland which would have to be specially examined so as to ensure that Ireland's freedom from certain major plant diseases and pests was not endangered.

State aids

5.18 Pending the adoption of criteria by the Council of Ministers for the determination of the types of aid to agriculture that may be deemed compatible with the Treaty, it is difficult to assess precisely the effects of membership so far as current State expenditure in relation to agriculture here is concerned. However, some modifications would obviously be necessary, such as the elimination of price supports and export subsidies and their replacement by the Community system of market organisation for the products concerned. Other aids would fall to be examined by the Commission. On the basis of expenditure in 1969-70 the saving in respect of agricultural price supports and export subsidies which would no longer have to be met by the Irish Exchequer would be £36 million. If certain other State aids were not allowed, the total saving could be of the order of £46 million. In addition, projects of a structural nature qualifying for aid would benefit from assistance from the Guidance Section of the EAGGF.

Agricultural trade

5.19 At present almost one-half of all the output coming off Irish farms is exported, of which livestock and livestock products account for over 90 per cent. The main effect of membership for Ireland's agricultural exports would be improved access to a large market at remunerative prices, thus enabling Irish products to compete on equal terms with similar products produced in other member States. This would mean a considerably higher return for our main exports, viz. cattle and beef, dairy products, lamb and pigmeat. Exports to non-member countries would qualify for aid from the European Agricultural Guidance and Guarantee Fund. Because of our geographical situation the bulk of the export trade would probably continue to be with the U.K., where existing import arrangements for dairy products, bacon, sugar and ware potatoes would have to be terminated; exporters of agricultural products would, however, have to meet increased competition in the British market. Exports of cattle and beef, lamb and possibly pigmeat to Continental countries of the Community would probably increase but the prospects of developing exports of dairy products or of sugar to those countries would seem limited until the current surplus problems are solved.

5.20 So far as imports are concerned, existing quantitative restrictions and other protective measures would have to be removed *vis-à-vis* other member States and in the case of third countries these restrictions and duties would have to be replaced by levies and / or the common customs tariff. Irish producers would encounter more competition in the home market from products from other member States. The cost of imports of a number of commodities, e.g. cereals and animal feedingstuffs, would rise irrespective of whether these were purchased from within the Community or from third countries. There would probably be a change in the pattern of imports inasmuch as imports from member countries which would have a Community preference would tend to replace those from third countries.

Fisheries

5.21 A common policy for fisheries has not yet been adopted in the Community. In 1968 the Commission submitted proposals to the Council for a common fisheries policy. These proposals cover structural policy and the common organisation of the markets, and are largely based on the common agricultural arrangements.

5.22 Membership of an enlarged Community should be advantageous for the fishery industry inasmuch as trade with the EEC, which is Ireland's biggest customer for fish, would be on more favourable terms and should be capable of considerable expansion if production could be increased. Freshwater fish (salmon, trout and eels), shellfish (lobster, crawfish, etc.) and pelagic fish (herring, mackerel, etc.) which are at present largely exported would benefit from the abolition of EEC import duties and quantitative restrictions. On the other hand, Ireland would lose the preference at present enjoyed on the British market, but the advantages of improved access to the EEC market should more than offset this. In addition, some difficulties could arise from any decision which might be adopted by the Community, within the framework of the proposed common policy for fisheries, in regard to access to fishing grounds within the exclusive fishery limits of the member States. The elimination of quantitative restrictions on imports could lead to greater imports of demersal fish (whiting, cod, plaice, etc.) and possibly to a slight reduction in the prices of the varieties most sought after by Irish consumers. On balance, however, the prospects for Irish fisheries in an enlarged Community are favourable.

Effect on Food Prices

5.23 Higher producer prices for agricultural products would mean an increase in the cost of food to the consumer which, in turn, would be reflected in an increase in the cost of living. It is not possible, at this stage, to calculate accurately the effect of the adoption of the Community's common agricultural policy on the cost of living. The levels of EEC and world food prices at the time of Ireland's accession to the Community would be important factors and these cannot be predicted at this stage. In addition, changes in the pattern of consumption which might be induced by the new conditions obtaining would affect the outcome. Notwithstanding these difficulties, it is tentatively estimated, on the basis of the main price differentials for which data are available, that the full application of current EEC agricultural prices here would involve an increase of the order of 11-16 per cent on the present level of the retail price index for food. Allowing for some change in the pattern of food consumption, induced by the new conditions obtaining, the consequential in the overall consumer price index might be of the order of 3-4 1/2 per cent. The increase would, of course, be spread over a number of years depending on the length of the transitional period.

[...]

Conclusion

16.1 The Government's view of membership of the European Communities has been made clear on many occasions. It is, in the first place, that membership affords an opportunity of participating fully in the movement towards European unity, a movement which evokes a strong and sympathetic response in the Irish people. Secondly, membership of the enlarged Communities would provide conditions more favourable to our economic development than would be obtainable outside.

16.2 While the present White Paper gives a quantified assessment of the consequences for Ireland of entry to the Communities in respect of certain areas, it is not possible to demonstrate in national-accounts terms the economic consequences of, on the one land, membership of the Communities and, on the other hand, not becoming a member. There is, nevertheless, a substantial basis for a qualitative conclusion which indicates that the national interest would be best served by entry to an enlarged EEC which included the United Kingdom. To remain outside would place our agricultural exports at a severe disadvantage and would leave very much in doubt the possibility of maintaining, let alone expanding, our industrial exports.

16.3 Because of its small scale, the domestic market does not of itself afford a sufficient basis for the expansion of the economy at a pace and to an extent that will enable the country to achieve its principle economic objectives, namely, full employment, the cessation of involuntary emigration and a standard of living comparable with that of other Western European countries. In Irish circumstances, therefore, economic growth of necessity depends on an expanding export trade.

16.4 Approximately half of all agricultural production is sold abroad; it follows that any increase in production must likewise be exported. The difficulties of finding export outlets at remunerative prices for many of our agricultural products are well known. These difficulties would be greatly accentuated if Ireland were not to become a member of the enlarged European Communities. It is only necessary in this connection to advert to the sharp drop in our exports of cattle and beef to the present Community since the coming into operation of the common market organisation for these products. Membership would ensure access for Irish agricultural products to a large market at remunerative prices and enable them to compete on equal terms with those of the other member States. This would result in considerably higher returns for our exports of cattle, beef, dairy products, lamb and pigmeat.

16.5 Irish industry has been the main source of growth in the economy over the past decade. The rapid expansion of the industrial sector is a reflection of the rising trend in the value of our industrial exports which has exhibited a striking rate of increase - from £33 million in 1958 to £149 million in 1968. In achieving this increase, Irish industry has shown that it is capable of competing not alone in the British market where it has the advantage of duty-free entry but also in the EEC which now provides an outlet for industrial exports valued at £29 million. The removal of protection in the domestic market could entail difficulties for some sectors of Irish industry. The scale of these difficulties would depend on the response of Irish management and workers, in the firms affected, to the new trading situation as it emerged over the period leading to the assumption of the full obligations of membership. The possible losses in this regard, however, must be viewed in relation to the overall balance of advantage to the economy as a whole.

16.6 In the light of the growing strength of the economy and given equitable transitional terms, it is reasonable to conclude that membership of the European Communities would give a strong impetus to production and exports, both agricultural and industrial, and so to the growth of the economy. The enlarged Communities would constitute a market of over 250 million people capable of a high and sustained rate of growth and so would provide an external environment more favourable to economic growth than that in which the Irish economy has heretofore been obliged to operate and substantially more favourable than that which would obtain if Ireland were to remain outside the enlarged Communities.

[...]