

Statement by Sean Lemass (Brussels, 18 January 1962)

Caption: On 18 January 1962, three days before the opening, in Brussels, of negotiations on Ireland's accession to the European Communities, Sean Lemass, Irish Prime Minister, reiterates to Members of the Governments of the Six his country's determination to become a part of the European Community.

Source: European Economic Community. Developments Subsequent to White Paper of 30th June, 1961, Laid by the Government before each House of the Oireachtas, 28th June, 1962. Dublin: Stationery Office, 1962.

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Statement by Mr Sean F. Lemass, Prime Minister of Ireland, to Ministers of the Governments of the Member States of the EEC (Brussels, 18 January 1962)

Mr. Chairman:

1. I would like, at the outset, on behalf of the Government of Ireland, to thank you for your kindness in arranging this meeting. We appreciate very much the opportunity you have thus provided for an exchange of views on Ireland's application for membership of the European Economic Community with the representatives of the Governments of the member States. I hope that what I shall say will be of help to you in considering our application. I am also pleased that the Commission is represented at this meeting.

2. Ireland belongs to Europe by history, tradition and sentiment no less than by geography. Our destiny is bound up with that of Europe and our outlook and our way of life have for fifteen centuries been moulded by the Christian ideals and the intellectual and cultural values on which European civilisation rests. Our people have always tended to look to Europe for inspiration, guidance and encouragement.

3. It is thus natural that we in Ireland should regard with keen and sympathetic interest every genuine effort to bring the peoples of Europe closer together, so as to strengthen the foundations of our common civilisation. We were happy at the development in the years following the last war of a strong movement towards closer European union; and we have participated actively from the outset in the two organisations established to promote cooperation between European States, the Organisation for European Economic Cooperation and the Council of Europe. While Ireland did not accede to the North Atlantic Treaty, we have always agreed with the general aim of that Treaty. The fact that we did not accede to it was due to special circumstances and does not qualify in any way our acceptance of the ideal of European unity and of the conception, embodied in the Treaty of Rome and the Bonn Declaration of 18 July last, of the duties, obligations and responsibilities which European unity would impose.

4. The Treaty of Rome, as an expression of the ideal of European unity, brought into being a more closely integrated organisation than either the Council of Europe or the Organisation for European Economic Cooperation. Political considerations, we know, played a considerable part in the motivation and the successful outcome of the negotiations for the Treaty and the aims of the European Economic Community go much beyond purely economic matters. The Contracting Parties in the preamble to the Treaty affirmed their determination to lay the foundations of an ever closer union between European peoples and their resolve to strengthen, by combining their resources, the safeguards of peace and freedom. Their call to other peoples of Europe to join in their effort was addressed to those "who share their ideal" In the Bonn Declaration, they reaffirmed their resolve to develop their political cooperation with a view to the union of their peoples and set in motion procedures designed to give statutory form to this union.

5. It was in full awareness of these facts and, in particular, of the importance attached by the member States to political objectives, that my Government, in the letter of 31 July, 1961, applying for admission to the Community under Article 237 of the Treaty, declared that we share the ideals which inspired the parties to the Treaty and accept the aims of the Community as set out therein, as well as the action proposed to achieve those aims.

6. I desire to emphasise that the political aims of the Community are aims to which the Irish Government and people are ready to subscribe and in the realisation of which they wish to play an active part. As I have already said, the Irish nation has always had a strong sense of belonging to Europe. We are also very conscious of the great advantages which can accrue to all the countries concerned and to world peace from a strong and united Europe. These considerations were an important factor in the decision taken by my Government in July. That decision was discussed at the time in our National Parliament and, I am happy to say, met with almost unanimous approval. But long before the formal decision was taken the European Economic Community and our position in relation to it were matters of wide public interest and debate. I can, therefore, say that our application not only represents a deliberate decision on the part of the Government but also corresponds to the sentiments of our people generally.

7. My Government are in full agreement with the purposes of the Community as defined in Article 2 and will most readily work with the member States in the accomplishment of these purposes by the methods prescribed in Article 3. We also agree that the achievement of the tasks entrusted to the Community be assured by the institutions set up under Article 4.

8. As regards the economic aspects of membership of the Community, I propose to deal first with agriculture, which has a particularly important place in our economy. It generates about one-quarter of the national income, employs over one-third of the gainfully-occupied population, and is responsible, directly or indirectly, for three-quarters of our exports. With the development of industry these proportions will decline, but for Ireland agriculture will always be of major importance. We are, naturally, anxious that, through membership of the European Economic Community, Ireland should be able to look forward to a balanced development of agriculture and industry.

9. We have studied with interest and attention the agricultural provisions of the Treaty of Rome and the proposals of the Commission for a common agricultural policy. We agree with the aims and principles set out in the Treaty and are in sympathy with the basic features of the Commission's proposals. We note that the common agricultural policy is intended, when fully implemented, to provide rational and orderly conditions of trading in a unified market, so that efficient farmers in member countries would have equal marketing opportunities under a uniform price structure. The sociological concepts which underlie the agricultural policy of the Community, and in particular the emphasis placed on the maintenance of viable family farms, also appeal to us as our rural society is based on the family farm and on ownership of the land by the occupier. The Governments of the member States may, therefore, be assured that we would play a constructive and cooperative part in the evolution and implementation of the Community's agricultural policy.

10. We do not, of course, assert that we have no agricultural problems. While the average size of agricultural holding in Ireland is somewhat higher than in most Continental countries and there is relatively little fragmentation of holdings, there are, as in other countries, variations in soil fertility and size of holding in different regions. In some districts where structural reorganisation has been in progress for many years it may be desirable to accelerate this activity and widen its scope in accordance with the Commission's proposals. Our horticultural industry is of rather recent growth and may not find it easy to adapt itself rapidly to Common Market conditions. It is not our intention, however, to seek any arrangements in relation to such matters which would be inconsistent with the common agricultural policy.

11. Our principal concern in the agricultural sphere relates to the manner in which British agricultural and food import policy will be harmonised with that of the Community. As you know, a high proportion of our agricultural exports goes to the United Kingdom, and we have long-standing trade agreements which reflect our economic relations with that country. We realise that, when a common agricultural policy is in full operation in an enlarged Community including — as we hope it will — the United Kingdom and Ireland, our economic arrangements with the United Kingdom would become merged in a greater whole, but we expect that in the normal course of things the United Kingdom market will continue to provide an outlet for a considerable proportion of our agricultural exports. The nature of the arrangements which have yet to be settled in relation to the agricultural and food import policy of the United Kingdom in the context of her membership of the Common Market will be of vital concern to us.

12. We also export agricultural and fishery products to the present members of the European Economic Community, and in some cases this trade is the subject of bilateral agreements between Ireland and member States. We note that Article 45 of the Rome Treaty envisages the conclusion of long-term agreements or contracts between exporting and importing countries as a means of expanding trade during the transitional period, but that such arrangements must be concluded during the first stage. We recognise, however, that in general, bilateral policies are not consonant with the basic ideas and aims of the Rome Treaty. It is not, therefore, our intention, if we are admitted to the Community, to seek to extend or add to existing bilateral agreements with the other members, since we assume that the development of agricultural trade within the Community will proceed henceforth on a multilateral basis as envisaged in the Treaty of Rome and in the proposals of the Commission. Should it be decided, however, in relation to the admission of any other

country to membership of the Community that bilateral agricultural agreements between members should be allowed as a transitional measure, then we would, of course, assume that such arrangements would be open to Ireland as well.

13. This concludes what I have to say on the subject of agriculture. In this important if difficult field, as in all others, we look forward to active and constructive collaboration with the other members in their efforts to overcome the problems arising in putting into effect a common agricultural policy in accordance with the objectives of the Treaty.

14. Turning now to the position of Irish industry, I shall begin with a few general remarks. For historical reasons, the industrial development of Ireland was retarded until well on in the present century. To hasten progress in industrialisation under our own Governments it was necessary to rely on a policy of protection. Industrial capacity, though it has been steadily increasing, still makes a smaller contribution to national output and employs a smaller proportion of the working population than in the Community generally. In recent years special efforts better balance in the economy as between industry and agriculture. A Programme for Economic Expansion initiated in 1958, the objectives of which are entirely consistent with those of the Community, has had encouraging results. The volume increase in gross national product, which averaged only 1 per cent per annum in the preceding decade, amounted to 4½ per cent in 1959, 5 per cent in 1960 and not less than 5 per cent, it is estimated, in 1961. The greater part of this expansion is attributable to the industrial sector. For manufacturing industry rates of growth of 6 per cent and 7 per cent were achieved in 1959 and 1960, respectively, and the estimate for 1961 is almost 9 per cent, a rate of expansion amongst the highest in Western Europe. The economic growth of recent years has been achieved in conditions of equilibrium in Ireland's international payments.

15. These results confirm not only the considerable scope for economic development in Ireland but the capacity of Irish initiative and effort, augmented by Western European enterprises to exploit the existing potentialities. We have an economic and social infrastructure capable of supporting a much greater degree of industrial development. We also enjoy conditions of political and social stability conducive to maintenance of the higher rate of economic growth achieved in recent years. There is, therefore, good ground for the belief that a total increase in production of 50 per cent by 1970 is within the capacity of the Irish economy; in other words, that Ireland can reach the collective target recently set by the members of the Organisation for Economic Cooperation and Development.

16. The lower income per head than in highly industrialised countries, the smallness of the home market, and the hitherto downward trend in population made it all the more necessary to achieve export outlets as a condition of the continued growth of industry and of the economy generally. Government policy has been directed towards helping exporters over their initial difficulties. Domestic exports of industrial raw materials and manufactured goods have risen from £25 million in 1958 to almost £50 million in 1961. This, I believe, demonstrates the growing competitive capacity of Irish industry.

17. It is, however, important that the industries thus already advancing, despite various handicaps, be enabled to consolidate their position and that those not yet fully competitive be helped to make the changes necessary to ensure progress in an increasingly competitive environment. The Irish Government intend to promote energetically the adaptation of Irish industry to Common Market conditions. A comprehensive series of industrial surveys has been initiated to analyse the situation of particular industries and devise positive measures of adjustment and adaptation. Furthermore, the review now proceeding of our Programme for Economic Expansion will take account of the obligations which Ireland will have to assume as a member of the Community and will ensure that in the new conditions progress towards the objectives of the Programme will be maintained.

18. External trade, particularly trade with Western Europe, is of great importance to Ireland's economy. Exports represent almost one-quarter of gross national product, while imports exceed one-third. In relation to gross national product, Ireland's external trade is the second highest in Europe. Four-fifths of our exports go to, and almost two-thirds of our imports come from, the United Kingdom and the present member States of the Community. As far as industrial exports are concerned, we have enjoyed for many years in the British

market conditions of free entry similar to those which the Rome Treaty will have established between the member States when the Common Market is finally in being. These advantages we shall henceforth be sharing progressively with many Continental countries. We are, therefore, disposed to look to Continental Europe for new scope and opportunity for the expansion of industrial exports. As yet, our export trade in industrial products to the Continent is small. Indeed, there is at present a significant lack of balance in our general trade relations with the Community; we import from the existing members over three times as much as we export to them.

19. Having thus described the general position of the Irish economy and the present state of Ireland's industrial development, I now propose to give some general indications of our capacity to accept the obligations of the Treaty in the industrial field.

20. Approximately two-thirds of our imports from the Community enter Ireland free of any protective duty or quantitative restriction. As a general rule, we impose no duties or import restrictions on industrial raw materials or on capital goods such as plant and machinery. In respect of fiscal duties, we anticipate that we shall be able to match the reductions already made by the member States and to keep pace with them in the future. It is intended to replace industrial quantitative restrictions, as soon as possible, by tariffs of no greater, and probably less, restrictive effect. In respect of protective tariffs, the Irish Government would hope that the member States would find it possible to agree to an appropriate general rhythm of tariff reductions to operate from the date of Ireland's accession to the end of the transitional period. It is only reasonable, however, to envisage that, despite their own best endeavours and State aids, some basically sound industries might find it too difficult to comply fully with this rhythm. The Irish Government would hope that a solution could be found for cases of this kind either under Article 226 of the Treaty or under the provisions of a protocol dealing generally with the subject of tariff reductions.

21. The Irish Government accept the objectives of the Treaty of Rome in regard to a common commercial policy and economic and social policies. We are prepared to accept the common external tariff of the Community, subject to negotiation for revision of a few items, mostly downwards. We assume at the same time that the movement of Irish tariffs towards the common external tariff would, where necessary, be related to the rhythm of tariff reductions agreed for Ireland so as to ensure that at no stage would our external tariff be lower than the tariff applied to members.

22. Because of the small home market and the size of Irish industrial units, Irish industry is particularly vulnerable to dumping, and the Irish Government would hope that an arrangement could be made under which it would be possible for them to take effective counter-measures against any dumping or threat of dumping in good time.

23. The Irish Government accept the provisions of the Treaty concerning the right of establishment and freedom of services and, in step with the members of the Community, are prepared to remove the restrictions in this regard which at present exist.

24. We do not anticipate that it will be necessary to seek any special financial assistance from the Community, though it is assumed that Ireland as a member of the Community would have the same right of access to the European Investment Bank and the European Social Fund as other member States.

25. Detailed negotiations will provide an opportunity for discussing questions of interpretation of particular Treaty provisions and of the implications of the regulations, decisions, directives and recommendations issued by the Council and the Commission.

26. If Ireland's application for membership of the Community is accepted in principle, we shall apply for accession to the European Coal and Steel Community and Euratom.

27. Because of the close inter-relationship of the economy of Ireland and that of the United Kingdom, and the vital interest of Ireland in agricultural trade, the Irish Government would hope that the discussions for the admission of Ireland to the Community might be brought to completion at the same time as those for the

United Kingdom. We would greatly appreciate being granted the opportunity of following closely the course of the discussions with the United Kingdom and other countries on matters of concern to Ireland and of having our views taken into consideration before conclusions are reached.

28. I hope what I have said, Mr. Chairman, will assure you and the other representatives of the member States of the Community not only of Ireland's will and desire to play a positive part, with you, in the achievement of the ideal of European unity but also of our capacity, granted an appropriate rhythm of tariff reductions, to accept and discharge the economic obligations of membership of the Community. In general, the Irish Government feel that the problems involved in accepting Ireland as a member of the Community will not prove to be greater and may, indeed, be less than those which were originally overcome by the member States in accordance with the spirit expressed in the preamble to the Treaty.

29. The energy and vision shown by the member States in planning, creating and developing the Community leave no room for doubt that they will achieve the aims they have set themselves. As a country small in extent, population and production, Ireland would not represent, in terms of statistics, any considerable addition to the Community. We do feel, however, that we have a contribution to make to the accomplishment of the Community's design for a new European society and would wish to be given an opportunity of bringing our national qualities and potentialities to the service of this ideal in a spirit of loyal and constructive cooperation.

30. In conclusion, Mr. Chairman, I should like to thank you and your colleagues for the attention with which you have listened to this statement of my Government's reasons for applying for membership of the Community, of the general aspects of our economy, and of our attitude towards the Rome Treaty. Translations of my statement in the four official languages of the Community have been made available. I hope, as I mentioned at the outset, that what I have said will prove helpful to your deliberations. I hope, too, that, as a result of this present exchange of views and of the negotiations which are to follow, you will feel able to reach a favourable decision on our application. If there are any additional data I can supply at this stage, or if there are particular points on which you would wish to have further clarification, I am at your disposal.