

Speech by Patrick Hillery at the Confederation of Irish Industries (Dublin, 15 April 1971)

Caption: On 15 April 1971, at the annual dinner of the Confederation of Irish Industries and in the presence of Altiero Spinelli, member of the European Commission, Patrick Hillery, Irish Minister for Foreign Affairs, sets out the stakes of the country's accession to the European Communities.

Source: Remarks of Minister for Foreign Affairs, Dr. P.J. Hillery, T.D., at Annual Dinner of Confederation of Irish Industries, Dublin, Thursday, 15th April, 8. p.m., 1971. Dublin: Department of Foreign Affairs, 1971. 5 p. p. 1-12.

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Remarks of Minister for Foreign Affairs, Dr. P. J. Hillery, T.D., at Annual Dinner of Confederation of Irish Industries, Dublin, Thursday, 15th April, 8 p.m., 1971

[...]

The negotiations on the enlargement of the European Communities have now entered a decisive stage. It is generally accepted that over the next few months substantial progress must be made on the major issues which have arisen in the negotiations if the negotiations are to succeed. We, the other applicant countries and the Communities are now concentrating our attention on those matters which, in the words of the Community Delegation, "lie at the very heart of the negotiations".

The Irish Government remain firmly committed to the achievement of membership of the Communities for this country and we, for our part, will continue to work for a successful outcome of the negotiations. We are convinced that the requisite political will and determination exists on the part of the Communities and the other applicant countries to ensure that the negotiations will succeed.

There has been a great deal of debate and discussion throughout this country in the past twelve months on the question of membership of the Communities. Much of this debate and discussion has been concerned with the pros and cons of membership. This has served a most useful and indeed essential purpose. It has, for one thing, enabled the Government and those groups and individuals in the country who favour Ireland's joining the Communities to spell out the reasons why membership would be to the advantage of the nation and to the benefit of the people.

Furthermore, it has provided the opportunity to those who oppose Ireland's membership of the Communities to tell the people of this country clearly - as they surely have an obligation to do - what credible courses of action would be open to us, if we were to stay out of an enlarged EEC which included Britain; courses of action which would provide the economic environment and opportunities for us to pursue effectively policies for the achievement of our national economic goals - full employment, the end to involuntary emigration and a standard of living for all our people at home comparable to that of the other nations of Western Europe. I think it is fair to say that those who oppose our entry into the Communities - and I firmly believe that they represent no more than a small minority - have singularly failed to demonstrate that these courses of action as alternatives to membership would in fact be open to us.

This debate on the pros and cons of membership has, as I have said, been a most useful one for the country. However, while I very much want to see debate and discussion on EEC matters continue and increase throughout the country, I suggest that the time has come when we should more and more be directing our attention to the realities of the situation which we shall face, assuming the success of the negotiations, in less than two years' time. Time is passing and we must increasingly concentrate our energies on preparing ourselves for the challenges of membership of the Communities and on equipping ourselves to avail fully of the opportunities which membership will afford.

The full cooperation of all sectors is now more than ever necessary to prepare the economy for membership. The Confederation of Irish Industry has, of course, a most important function in this regard; a function which it has been discharging most effectively since membership of the EEC first became a real possibility for Ireland. Indeed, if I may say so here, it is significant that the Confederation has been a strong supporter of Ireland's joining the Communities, seeing in membership, as it does, unparalleled opportunities for Irish industrial exports in the huge market which the enlarged Communities will represent.

It is now some ten years since we first applied for membership of the EEC. Those ten years, Signor Spinelli, were for us a period of waiting but they were not a period of idleness. Government and industry applied themselves energetically to the task of preparing our industrial sector for the challenges and opportunities of membership of the EEC which, despite disappointments and setbacks, we never doubted would come. The Government, for their part, encouraged and fostered industrial adaptation by providing assistance for modernising plants and for export marketing as well as a range of other aids. Industry responded by availing actively of these services and by setting up Adaptation Councils and Trade Union Advisory Bodies in each

industry. Much has been done but we cannot afford to sit back at this stage. We must press on vigorously with the task of preparing the economy for membership. There is no doubt that the increased competition which membership will bring will pose problems for some firms in the industrial sector. The extent of these difficulties will depend on how industry uses the time still available to equip and adapt itself in preparation for the new situation.

It would be unwise, however, to become excessively preoccupied with the possible difficulties. Membership should be seen as an opportunity rather than a threat. And this is, I am sure, how the great majority of Irish industrialists do in fact see it. I have no doubt, Commissioner Spinelli, that in your conversations with representatives of Irish industry you have been impressed by their outward-looking attitude. They are prepared for the challenge ahead and determined to make their full contribution to the prosperity of this country in the enlarged Communities.

The principal source of the economic growth which we have had in Ireland in recent years has been increased industrial activity and, especially, increased industrial exports. For the first time, our industrial exports are now in excess of our exports of agricultural products, reflecting the growing strength of our industrial arm. There is no need to remind this audience that our further economic development in the years ahead will continue to depend on our export performance. Many of you have yourselves made significant contributions to the country's economic development through successful export marketing. I know you share my conviction that the huge, buoyant market of the enlarged Community will provide a most valuable opportunity to expand and diversify our exports. Irish industry, and indeed the economy as a whole, is now at that stage of development when, for further expansion, it needs the favourable trading environment which will exist in a Community of Ten. The benefits of membership will not flow to us automatically, however. Membership will not in itself bring success but rather the opportunity to succeed.

Commissioner Spinelli had some interesting remarks to make tonight about regional policy in the Community context. Regional policy is of special relevance to Ireland and it is a matter to which the Government attach the utmost importance. We have underlined to the Community in the negotiations - and I know Commissioner Spinelli will be aware of this - the importance of regional policy from the Irish point of view. I think it appropriate that I should say something about it here tonight.

I have mentioned earlier the national economic objectives of full employment, an end to involuntary emigration and a standard of living for our people comparable to that in other countries of Western Europe. These are objectives which we have long sought to achieve and which, the Government are convinced, will be within our grasp in the environment of the enlarged Communities. It is hardly likely, that the achievement of these objectives can be separated from considerable economic and social change in our country. For example, the world-wide phenomenon of movement from the land is happening here as it is in other countries. This is inevitable wherever people aspire to higher standards of material welfare. In every country, without exception, which has progressed economically, there has been a movement of people off the land and into industry. The Irish Government wish to ensure, however, that people who leave farming will be able to get jobs in industry, not only in their own country, but in their own area. It is for this reason that the Government attach so much importance to the development of those of our regions where the flight from the land is greatest and where there is a preponderance of farm holdings which are economically not viable.

Our ability to deal successfully with our regional problems will, we expect, be increased by membership of the Community. There already exist Community sources of finance which can assist Governments in the implementation of regional programmes, such as the European Investment Bank and the guidance section of the European Agricultural Guidance and Guarantee Fund. We would expect to be able as a member of the Communities to draw on these sources to promote regional development in the same way as, for example, the Italian Government have done in tackling the massive problems of the South of Italy.

Regional policy has taken on an added importance in the Community as a result of the decisions taken recently on the creation of an economic and monetary union.

These important developments will, we would certainly hope, speed up the evolution of a Community regional policy. Until now progress in this direction has not been, perhaps, as fast as one might wish, but the political will to create and implement a Community regional policy is clearly expressed in the Council Resolution of 8 February on the steps to be taken to create an economic and monetary union. This states that the Council will enact, on the Commission's proposal, the necessary measures to enable a solution to be initiated to the priority problems in the regional and structural field. The Resolution also defines an economic and monetary union as a zone in which the free movement of capital and labour will not create structural and regional imbalances.

The Community Resolution and Decisions on economic and monetary union cover the measures to be implemented during the first three-year stage 1971-1973. Accordingly, if this country accedes to the Community before the end of that period the Government will be able to play its full part in working out with the other member States of the enlarged Community the measures to be applied in the second and subsequent stages in the transition to the full union. We would thereby be in a position to ensure that due account is taken of Ireland's economic interests, including the remedying of structural and regional disequilibria.

We would, for example, argue that, since the level of economic development in many parts of Ireland is lower than in most of the Community, including areas which other member States regard as priority areas, the level of incentives offered in Ireland should be correspondingly higher. We would state firmly that any criteria for delineating regions which resulted in any part of Ireland being regarded as being incapable of economic salvage and with only the smallest resident populations would not be acceptable to us. We would state that regional policy and agricultural policy should be interrelated, and that agricultural policy would have to take account of its social effects at regional level. Whatever form of regional policy is adopted should, in the Government's view, foster development in all parts of Ireland, and should allow reasonable access to development funds, whether provided by the Irish Government or by the Community, to all areas.

The Government fully accept - and I was interested to hear Signor Spinelli make this point - that, even when a Community regional policy is fully formulated, the role of the national Governments will be of paramount importance and that action at Community level should be directed at supplementing and coordinating national efforts. Here I should say that work is at present well under way which will provide this country with a well-articulated and detailed regional policy. The Regional Coordinating Groups are preparing reports for the Minister for Local Government which will set out, in detail, the main factors, including infrastructural capacities and needs, influencing physical development in the regions and advising on investment priorities. The Industrial Development Authority is preparing industrial plans for each region. The results of this work are expected this year, and will be absorbed into our regional policy well before we enter the Community.

This examination of the potential and problems of Irish regional development is being carried out with the maximum of local involvement. The Regional Coordinating Groups are local bodies, involving representatives of local authorities, the IDA and regional tourism organisations. The IDA has undertaken to have consultations with organisations in every region, including the Regional Coordinating Groups, before finalising its regional plans. The Minister for Local Government has indicated that the views of the Regional Coordinating Groups will be taken into account by the Government in the further consideration of regional policy.

It is probable that the Community will adopt, as proposed by the Commission, a periodic examination of the regional development plans of member States, and that once plans are approved by the Commission they will be eligible for Community aid. The regional planning work now under way here should equip us to fit in with, and derive maximum advantage from this system.

I laid emphasis earlier in my remarks on the need, at this stage of the negotiations, for all sectors of the economy to continue and intensify the preparations for our membership of the enlarged Communities. I can assure you that every possible assistance and encouragement will be provided by the Government for this task. Let me assure you further on the negotiations themselves. The Government will continue to pursue a

satisfactory outcome and in doing so will be cone earned, that our own interests and problems are taken fully into account.

When the Communities agreed to open negotiations for membership, they did so insofar as the applicant countries accept the Treaties setting up the Communities and their political finality, the decisions taken since the entry into force of the Treaties and the options made in the sphere of development. The Communities also laid down that the solution of any problems of adjustment must be sought in transitional measures and not in changes in the existing Community rules. We accepted these principles as a prerequisite for the opening of the negotiations and the negotiations with Ireland and the other applicant countries are being conducted on this basis.

This being said, we would expect - and I think it is reasonable to do so - that, in the negotiations- and in the terms of accession to be negotiated, due recognition should be given to the special position of this country in certain respects and to the special problems which this gives rise to. It would be most inappropriate for me to delve into the specifics of the negotiations but I should mention our structural problems and our fisheries which are still very much in the course of development. These problems are, of course, very much related to the important question of regional development policy which I spoke on earlier. It is relevant also to mention that it is the expansion of the industrial sector which has been mainly responsible for the sustained growth in the Irish economy in recent years. In this expansion, the Government's programme of industrial development has been of decisive importance and we consider that it must continue to be so in the further expansion of the industrial sector.

These are special considerations which have a major bearing on our negotiations. They are considerations to which I am sure the Community will not fail to give full recognition. The manner and means by which this can be done must of course be worked out in the negotiations but I am encouraged when I consider the understanding and flexibility which was displayed by the present member States when they were negotiating the Treaty of Rome in dealing with the special problems of the individual countries. I have in mind here in particular the manner in which the development problems of countries such as Italy wore recognised and provided for.

In conclusion may I say that the Government remain convinced that it is as a member of the European Communities that this country will best be able to realise its full economic and social potential and best advance the welfare of her people. We look forward to taking our place before long in that Community of democratic nations and to working, not only for the prosperity of Ireland, but also for the prosperity and continued success of the Community as a whole.