

Europe: it's time to spread the message

European politics have been making the headlines recently, with the Greek economic crisis and the new UK government's referendum both being topics of much debate. Steve Brambley, deputy director of Gambica*, takes a look at the UK position within Europe from a business perspective.

Europe means many different things to different people, whether that be a geographic region, a political union, an economic zone or the Eurovision song contest. The European Union now has 28 member states, 19 of which are in the Eurozone monetary union. There are 22 member states in the Schengen Area (where passports are not required to cross borders), as well as four EFTA (European Free Trade Association) countries – Iceland, Liechtenstein, Norway, and Switzerland. The European Economic Area (EEA) comprises all 28 member states, as well as three of the EFTA countries, with Switzerland participating through bilateral agreement.

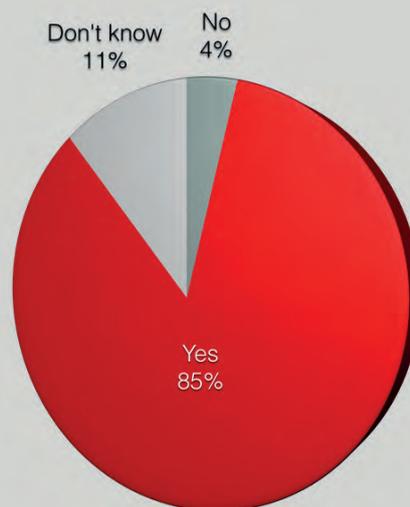
Geographically and politically the UK is in Europe, even if it is not in the Eurozone or the Schengen Area. OK, so we are also separated by the channel, we drive on the left and we measure distances in miles, but despite all this, the UK is still very much a part of Europe, especially when it comes to trade and regulation.

The government has committed itself to holding an in/out referendum on membership of the EU before the end of 2017, but it could be held as early as next year. Voting will be carried out by individual citizens, but it is important for businesses to have a voice, because the impact on trade and export could be significant.

Whilst individuals may be influenced by popular newspaper favourites such as "tidal waves of migration" and "barmy Brussels bureaucracy", it is still important to

understand how the cost and ease of trade may be affected. A negative impact may have a knock-on effect on competitiveness, growth, export and employment.

Gambica has carried out a poll amongst its members. The vast majority (85%) responded that the UK should remain in the European Union, 11% were undecided and 4% were of the opinion that the UK should not be in the EU.



Does your company think that the UK should be part of the European Union? (Gambica member survey)

Of those responding "yes", one third qualified their answer with some changes to be negotiated. These included ensuring the relationship is based on trade and economics rather than politics, and reducing bureaucracy and the cost of membership.

In short, the majority of those surveyed feel that any burden of being part of the EU is more than offset by the advantage of being an influential participant within the union. Leaving the EU would bring little benefit to UK industry, but potentially high risks that would impact the wider economy and society.

It is clear then that our members believe that the UK is better off remaining in the EU than leaving it, and this is in line with the positions of other trade and business organisations.

EEF research gave very similar results: 85% of UK manufacturers would vote to stay in the EU, with 7% voting to pull out. This rises to 90% among manufacturers with more than 250 employees, where not a single company would vote to come out.

EEF chief executive Terry Scuoler says: "Our economic well-being is linked to the EU and we must stay in membership. It makes no sense to disengage from our major market where we would still face all the costs of compliance and enjoy none of the influence."

Sir Mike Rake, president of the CBI, commented recently that "membership is in our national interest ... we're part of a market of 500 million people to which 50% of our exports go."

The message from business and industry is clear – we must stay in the EU. But businesses don't vote, people do. This is why it is important for organisations in our industry to engage with the process, with stakeholder bodies and with the media. We need to spread the message so that voters can be aware of the wider issues and impacts. UK in the European Union – douze points! ■

* Gambica is the trade association for the automation, control, instrumentation and laboratory technology sectors in the UK. For more information, please contact the deputy director, Steve Brambley, on 020 7642 8090 or via sbrambley@gambica.org.uk www.gambica.org.uk

