

EMBARGO UNTIL 14.00 HOURS FRIDAY, MAY 23, 1975 20 Kensington Palace Gardens London W8 4Q Q Telephone: 01-727 8090

May 22, 1975

Extract from a speech by the Rt. Hon. George Thomson, Member of the Commission for Regional Affairs, to the British Importers Confederation in London.

The Community Is Flexible

What I like about the Community after two and a half years of practical experience of its working is its capacity for change - its adaptability.

It has shown a willingness to learn from its own mistakes. The Russian butter deal was a mistake. But as a result, the Community, when it now finds itself with surplus food, gives priority to pensioners and other groups of needy citizens within the Community, as well as a greater priority than in the past to food aid for the poor and hungry in the developing countries. When I first came to Brussels, consumer subsidies were considered sins against the Holy Writ. Now German taxpayers and French exporters are making sacrifices to keep down the price of food in Britain: Community solidarity works.

Of course that doesn't get rid of the problem of surpluses. Until mankind has discovered - Heaven forbid - the secret of controlling the climate and the weather, there will be bad harvests and this year's surplus will be an insurance premium against next year's shortage.

Surpluses are inevitable in any agricultural system but they ought to be seen in perspective. The beef mountain Community-wide amounts to a buffer stock of twelve days' supply. In Britain, because the Community had flexibly met our special problems by special arrangements, the beef mountain on the latest figures amounted to 143 tons.

The butter mountain has soared and melted away several times during my period in Brussels. At present it stands at 16 days' supply. With New Zealand imports falling 20 or 30% short of their entitlement in the UK market, we would have had a shortage of butter to go along with our shortage of sugar if it had not been for the Community surplus.

The Community Wants Variety and Simplicity

Harmonisation does not mean - repeat not mean - that the Commission is determined that we are all to become Identikit Europeans, eating the same Euro-bread with the same Euro-sausages, washed down by the same Euro-beer. For the ordinary citizen it means exactly the opposite - it means a greater range of choice as Europe's rich variety of food and drink and consumer goods generally flows more freely across the frontiers. For those in the export-import business, it means bigger opportunities and fewer bureaucratic headaches as you deal with one set of Euro-regulations instead of six or seven set; of national regulations.

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You all know the frustrations met by traders as a result of different national standards, some of them purporting to guarantee safety and other requirements, many of them thinly disguised protectionism. The Community is engaged on the mammoth and lengthy business of agreeing common standards for internal trade while leaving the traditional standards of purely local products alone. I am sure that the process is too slow for your tastes. But this is not the sort of subject matter into which one jumps superficially. The facts have to be got right. All the interested parties in the Community have to be thoroughly consulted.

UK Influence within the Community

Britain as a member of the Community is part of that process of examination and consultation. Britain outside the Community would have little option but to comply with Community standards, drawn up without her participation and the participation of her manufacturers. The importance of this is not to be underestimated. As modern advances in technology make our manufactures increasingly complex and sophisticated, so is the scope for non-tariff barriers so much the greater. Unless you like the idea of living in a siege economy, with the national drawbridge raised, it is a vital British interest for everyone importing and exporting for Britain to be right there inside the Community where the decisions are made playing her full part in shaping them.

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