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OPPORTUNITY TO INCREASE TRADE AND EMPLOYMENT

by
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The Treaty on European Union represents a further step in the process of integrating the Irish economy with the broader European economy. The Irish economy has changes out of all recognition since we joined the European Community in 1973. At that time the economy was very dependent on the British market which accounted for almost 60% of our exports while Continental Europe accounted for only 15%. As a result, there was a widespread perception that "if British industry got a cold Irish industry would get pneumonia". However, all that has changed. Today Ireland sells 50% of its exports to Continental Europe and 26% to Britain. This diversification has enabled the Irish economy to continue expanding last year although Britain, our main single market, was in recession.

Ireland has become a very efficient and competitive supplier of specialist goods and services to the total European market. Almost 90% of all the goods which we produce are sold within the European Community. One quarter of these goods are sold on the island of Ireland, a further quarter in Britain and 40% on the Continental mainland. Since more than 80% of the total purchasing power of the European Community is on the Continental mainland, it is clear that access to Continental markets is essential for the continued expansion of Irish industry. But this will not be a passive development. Expansion will occur because Irish industry will be enabled to take advantage of the opportunity of open access to larger and more rapidly expanding markets.

We have good reason to welcome participation in this larger more open market. For example, the accession of Spain and Portugal to the

European Community in 1986 resulted in a doubling of Irish exports to these countries over the five intervening years. Ireland, which exports 80% of its industrial output, has far more to gain from more open access to European markets than it has to fear from increased competition for the small proportion of output which is sold on the Irish market.

Irish exporters have increased their market share on the Continent every year for the last 20 years. This has resulted in an increase of almost 150,000 jobs in business and industry in this country, half of which have been created in the last five years since the European Market became more open.

There is every reason for confidence that this accceleration in the rate of job increase will continue. The Treaty on European Union is about bringing the economies of the member states closer together, and will open up Community markets even more for Irish products. Full participation in the European Union is the only way we can hope to provide enough jobs for our young people.

Our economy has been one of the fastest growing in Europe since 1973. It is within our potential to make it *the* fastest growing economy in a new and enlarged European Union. We have a modern industrial base biased towards fast growing industries. We have well diversified trade. We have a youthful and innovative and dynamic workforce. We have a good education system. We have got rid of all the trappings of protectionism. Our outlook is international. We have adapted to the disciplines of the European Monetary System and can also adapt to the Single Market and Economic and Monetary Union. The small scale of our economy offers the opportunity to further adapt our production to fast growing niche markets but from a much stronger and more competitive base than in the past. I believe that the new European union offers exciting and challenging opportunities for increasing economic output and employment and would strongly urge a very positive 'YES' vote on Thursday next.

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