

Statement by Edward Heath on the negotiations for British accession to the European Communities (Luxembourg, 17 July 1962)

Caption: On 17 July 1962, Edward Heath, Lord Privy Seal and head of the British delegation, outlines to the representatives of the Six in Luxembourg the position taken by the United Kingdom in the negotiations for accession to the European Communities.

Copyright: (c) The National Archives of the United Kingdom

Note: This document has undergone optical character recognition (OCR), so that full text search and copy/paste operations can be carried out. However, the result of the OCR process may vary depending on the quality of the original document.

URL:

http://www.cvce.eu/obj/statement_by_edward_heath_on_the_negotiations_for_british_accession_to_the_european_communities_luxembourg_17_july_1962-en-fboffd66-4319-45eb-af93-0fe12e175c34.html



Last updated: 01/03/2017

10 A

E.C.S.C.



Miscellaneous No. 21 (1962)

The United Kingdom and the European Coal and Steel Community

Text of the statement made by the
Lord Privy Seal at the meeting with Ministers
of Member States of the European Coal and Steel
Community at Luxembourg on July 17, 1962

*Presented to Parliament by the Lord Privy Seal
by Command of Her Majesty
July 1962*

LONDON
HER MAJESTY'S STATIONERY OFFICE
EIGHTPENCE NET

Cmnd. 1790

**Statement by the Rt. Honourable Edward Heath M.P., Lord Privy Seal,
Leader of the United Kingdom Delegation at the Meeting in
Luxembourg on July 17, 1962, between the Member Governments of
the European Coal and Steel Community and Her Majesty's
Government in the United Kingdom of Great Britain and Northern
Ireland**

MR. CHAIRMAN,

May I first express my pleasure at having been invited to Luxembourg for the opening of the negotiations over the entry of the United Kingdom into the European Coal and Steel Community. May I also express our warm gratitude to our hosts, the Member Governments of the Community and in particular to the Luxembourg Government, for the arrangements which have been made for this meeting and for the facilities which are being so generously made available for the remainder of the negotiations.

2. We are glad to see here to-day the President and members of the High Authority, whose knowledge and experience will, I am sure, be of great help to us. During the last seven years we have had many profitable discussions with them in the Council of Association.⁽¹⁾ Through our regular meetings we have been able to keep in touch with the progress being made in the Community and to keep you informed about developments in the United Kingdom. We have worked together and got to know each other's problems well. This enables us to begin these negotiations on a basis of common knowledge and from ground in some measure already prepared for them.

3. Your Community is the first of those concrete achievements on which, as Robert Schuman and Jean Monnet, as well as other Europeans of courage and vision foresaw, European unity would be built. The institutions which your Community built up were the forerunners for the other two Communities which have since come into being. Indeed two of them, the Court of Justice and the European Parliament, are common to all three Communities. We in Britain are now ready to play our part in achieving closer unity in Europe and we have clearly demonstrated our desire to do so in seeking to become members of the European Economic Community and Euratom. Our request for membership of the E.C.S.C. represents a further step towards the achievement of that aim.

⁽¹⁾ See "Treaty Series No. 51 (1956)", Cmnd. 13.

4. We are now negotiating for entry into all three European Communities. It is our aim to maintain the momentum of all these negotiations and to bring them to a successful and early conclusion. As major producers and consumers of both coal and steel we have similar interests to yours over a very wide field. Last year we produced in the United Kingdom 194 million tons of coal and 22 million tons of steel. I understand that in your Community you produced in the same period 230 million tons of coal and 73 million tons of steel. Our coal and steel resources added to yours would constitute a vast and solid foundation for the future expansion of industrial activities in an enlarged European Community.

5. We are ready to subscribe fully to the objectives and basic principles of the Treaty of Paris. We see no need in the context of the present negotiations for any amendments to the text of the Treaty, except where adaptations are necessary as a consequence of the accession of a new member. Where you or we have special problems concerning the terms of the Treaty or temporary arrangements, we believe that it should be possible to deal with them by means of protocols.

6. There are a number of problems which we should like to raise with you. The first concerns your pricing rules for coal and steel. We shall need to consider together how these are to be enforced and operated. In the British steel industry we have developed our own system of price control and we shall need to discuss with you how to adapt our system to that of the Community. Our aim, both for steel and for coal, will be to secure non-discrimination and fair practices in the competitive alignment of prices. In this I am sure we have common objectives. The problem is to find the best mechanisms for achieving them.

7. The second question, which arises from the pricing rules, relates to the provisions of the Treaty concerning transport. We have noted that you have already had considerable debate among yourselves about these provisions. The policy of my Government is to promote conditions of commercial freedom within the transport industry in the United Kingdom. Road haulage operators therefore enjoy, as indeed they always have, complete freedom in charging for their services. Under the Transport Bill now before Parliament the last controls on freight rates on the railways will be removed, except for a proviso about coastal shipping. In discussing the arrangements for transport charges in relation to coal and steel we shall wish to keep in mind the discussions now taking place in the European Economic Community, which may affect our transport policy as a whole as well as yours, if we join the European Communities.

8. The third question is the timetable for implementing the Treaty. We have noted that you yourselves made arrangements to implement the Treaty in stages by means of a short preparatory period followed by a further transitional period. It is possible that similar arrangements may prove desirable on this occasion. The immediate implementation of the provisions of the Treaty by us once the necessary processes of ratification

1. If it has been completed, could involve advantages and disadvantages both for you and for us. For our part we have fewer difficulties with coal than with steel; for example coal involves no tariff problems, but for steel, adjustments in tariffs will be required. We are prepared to abolish by mutually agreed dates all tariffs and quantitative restrictions on trade in coal and steel products between us and you. It may also be necessary to make some adaptations in our tariff towards countries outside the Community if it is to be harmonised with that of other members.

9. In addition to these three problems we shall want to seek further information about the detailed ways in which Community policies are being applied in practice, and on the interpretation to be placed on particular articles of the Treaty. We wish to verify, for example, our understanding that the provisions of the Treaty dealing with restrictive practices and concentrations will not conflict with national ownership.

10. I should now like to turn to the question of the common energy policy, since this is a matter which will clearly be affected by the prospect of British membership of the Communities. It is impossible to study energy problems without being impressed by the fact that many of them can only be solved on an international scale. For instance, the full use of natural gas supplies demands a widespread distribution system making supplies available throughout Europe. Similarly, the full exploitation of thermal and hydro-electric resources requires the linking up of the electricity systems of different countries. The cross-Channel electricity cable and the recent arrangements for the purchase of Saharan gas by the British Gas Council are only forerunners of what we may hope to see. Oil questions, too, transcend national boundaries. Finally, our seven countries taken together are still dependent on coal for over half of their supplies of energy, and we have a mutual interest in seeing that this great industry is placed on a sound economic basis and that full regard is paid to the well-being of the miners themselves.

11. We have read with close attention reports of your discussions on this subject. We have large interests ourselves as producers and consumers of coal and oil; we have devoted substantial resources to the development of nuclear power, which will become increasingly important in the longer term; and natural gas is beginning to play a part in our economy. We too have been much pre-occupied with our own problems in these fields.

12. I can readily understand, therefore, the difficulties of settling Community policy in these matters. They arise both from the varying interests of different countries and from the complexity of the subject itself. It is necessary to consider the immediate economic attractiveness of different fuels, their costs to the balance of payments and their bearing on commercial policy in relation to other countries. Other factors which have to be taken into account are future changes in demand, supplies and prices; the social costs of altering existing sources of supply, the risks involved in increased dependence on certain fuels and the costs of the alternatives to them. These factors are difficult to evaluate. This is apparent, to take an

example, from the Hartley and Robinson reports which were drawn up by international experts for the O.E.E.C. in 1956 and 1960 respectively. These reports showed what a marked change in the circumstances of the European fuel industries occurred in less than four years. In the last two years, further major changes have taken place. There may well be further surprises in store for us, and we shall need to ensure that our policies are flexible enough to enable us to deal with changing situations.

13. I am quite sure however that an energy policy must be evolved on a Community basis. We agree that this is one of the conditions of the harmonious development of the Community. Although none of the three Treaties calls for a common energy policy, you took an initiative by agreeing to the 1957 Energy Protocol to the Treaty of Paris. We are willing to subscribe to this Protocol. As soon as our negotiations for joining the Communities have succeeded, as I trust they will, we shall be ready to give our full co-operation in the task of devising a common energy policy. It is not our wish to delay your progress in this field while negotiations with us are taking place and we hope that we shall be able before long to take part with you as members of the Community in reaching decisions of vital importance not only to the individual interests of each country concerned, but to Western Europe as a whole. I assume that you do not intend to go into these matters as part of the present negotiations.

14. I should now like to turn briefly to those aspects of these negotiations which affect the countries of the Commonwealth and the European Free Trade Association.⁽²⁾

15. The Treaty of Paris involves relatively few problems for Commonwealth and Colonial territories as compared with the Treaty of Rome. The Commonwealth is not a major exporter of coal, and Community countries do not impose tariffs on iron ore. From time to time we import iron and steel products from some Commonwealth countries, and these enter the United Kingdom free of duty. We shall wish to discuss these Commonwealth interests with you. We shall also need to examine together the implications of the second paragraph of Article 79 of the Treaty, relating to preferences enjoyed by a Member State in non-European territories subject to its jurisdiction. The problem here is a constitutional one and stems from the fact that we do not exercise direct control over the tariffs of our overseas territories.

16. Our obligations to our partners in the European Free Trade Association extend to the products which come within the scope of the Treaty of Paris. Our accession would, of course, create no problems for those E.F.T.A. countries who themselves become full members of your Community. I trust, however, that appropriate arrangements can also be made to meet the interests of the other E.F.T.A. countries.

⁽²⁾ "Treaty Series No. 30 (1960)", Cmnd. 1026.

17. In conclusion, Mr. Chairman, I would like to express the conviction that our negotiations with your Community can progress smoothly and harmoniously. Over a very large area we have common interests with you, and I do not believe that the problems to which I have referred should prove too difficult to solve.

18. The success of your experiment in forming the first of the new economic communities of the twentieth century has provided lessons for us all. The other two economic communities which we seek to join have a shorter history but I am sure that you must have been encouraged to extend the scope of economic integration in Europe by the results you had secured in the important sectors of coal and steel. We recognise that the successful development of the three European Communities is an essential condition of the creation of the wider European unity which we all wish to see, and we want to join with you in a common effort to achieve this purpose.