

BRITAIN STRONGER IN EUROPE

WHY FAMILIES ARE STRONGER IN

UK families are better off in Europe's single market, the world's largest free trade area, which supports jobs, low prices, businesses and financial security. Being in Europe makes your family stronger.

Key Quotes

- **Martin Lewis, MoneySavingExpert:** "On balance of probability we'll have less money in our pockets if we vote to leave"
- **Jayne-Anne Gadhia, Virgin Money:** "If we were to come out of Europe there will be pressure on sterling, the gilt markets will reprice. The price of consumer finance, mortgages and credit would increase. It could increase the price of financial products. That ends with fewer jobs and less prosperity"

Key Facts

British families would lose out if we left the EU's single market.

- **Almost 1 million jobs would be lost:** leaving the EU would cause a serious shock to the UK economy, with a potential cost of 950,000 jobs by 2020
Source: PWC analysis, March 2016, [link](#)
- **Families would be worse off to the tune of £4,300:** GDP would be 6.2% lower, which is the equivalent to each UK family being £4,300 worse off.
Source: 'HM Treasury analysis: the long-term economic impact of EU membership and the alternatives', April 2016, [link](#)
- **Public services would be hit by £36bn in cuts.** Tax receipts would face an annual £36 billion black hole. This is more than a third of the NHS budget and equivalent to 8p on the basic rate of income tax
Source: 'HM Treasury analysis: the long-term economic impact of EU membership and the alternatives', April 2016, [link](#)
- **Prices would be higher.** Independent experts have found that prices are £350 lower than they would be if we were outside the EU.
Source: Centre for Economic Performance at the London School of Economics
- **£250bn of UK trade would be at risk.** Trade with the EU, EEA and countries with whom the EU has trade agreements is £250bn a year higher than it would have been if the UK was not a member of the EU. This £250bn a year is at risk if the UK leaves its preferential trading relationship within the EU's Single Market.
Source: 'HM Treasury analysis: the long-term economic impact of EU membership and the alternatives'; ONS trade data
- **£200bn in investment would be at risk.** Experts have predicted that the stock of FDI would fall by 20% if the UK does not have a Free Trade Agreement with the EU, which implies £206bn could be lost from the stock of FDI in the UK.
Euler Hermes, Economic Insight, November 30, 2015, [link](#); ONS data

BRITAIN STRONGER IN EUROPE

- **Wages would be hit.** EU membership has increased average UK salaries by £1,800. This would be at risk if Britain leaves Europe.
London First and Frontier Economics, 8 May 2016, [link](#)

Prices would go up if we left

- The AA has warned that drivers face a £494 Brexit petrol bill if Britain decides to quit the EU:

“According to the AA, a Brexit could add a wallet busting £494 a year to a two car family’s fuel bill as motorists pay the price for a weaker pound. An “out” vote could send today’s average price of petrol rocketing from 102.23p a litre to 121p as experts predict a plummeting pound will hammer motorists at the pumps”.
The Mirror, 17 Feb 2016, [link](#)
- The Chief Executive of Centrica has made clear that being in the EU keeps energy prices lower:

“Prices are going to become really important for British consumers and we need to do everything we can to make sure that the market in Europe is as competitive as possible...It’s very hard to see what we can do to drive competition in Europe if we are outside. That’s why I think we’re better off in”.
Iain Conn, Chief Executive, Centrica, 18 Feb 2016, Evening Standard, [link](#)
- The cost of flights has come down by 40% because the EU changed the rules to allow low-cost airlines like EasyJet to enter the market.
Source: European Commission
- Using a mobile phone in another EU country is 73p cheaper for every pound. Roaming charges will be scrapped entirely by 2017, thanks to the EU forcing companies to give customers a fairer deal.
Source: Foreign and Commonwealth Office
- New EU rules reducing fees for using credit cards by 84% are estimated as likely to save UK businesses – and thus their customers – £480 million a year. UK consumers will benefit when they use a credit card not only in the UK but also when they visit another EU country.
Source: British Retail Consortium

Credit rating threat

- Two leading credit ratings agencies, Standard and Poor’s and Moody’s have said that a British exit from the European Union would hurt the country’s economy by damaging trade and investment and could put its credit rating at risk of a downgrade said Britain’s credit rating could be cut if it leaves EU. This would impact on the Government’s ability to borrow and therefore may impact on government spending, notably on welfare.
- Morgan Stanley have also warned that Brexit could lead to a “recession” and a “sharper fall in investment, sizeable outflows of capital and labour”.
- Bank of America, Merrill Lynch has also predicted that Britain leaving the EU would lead to a run on the pound.