

# Global Britain Briefing Note

No 99

28th November 2014

## Transforming the NHS ?

*In 2013 the UK's net contribution to Brussels would have paid for an extra 424,057 NHS nurses*

### *The 2014 Pink Book: UK Balance of Payments*

**Table 1: UK Cash Contributions to & Receipts from “Brussels” in 2013: £**

	<b>£ million in 2013</b>	<b>£ m per day in 2013</b>
UK Gross Contribution	21982	<b>60</b>
Receipts from EU Institutions	(7140)	<b>(20)</b>
UK Net Contribution	14842	<b>41</b>

*\* Assuming that in 2013 the average cost of employing a qualified nurse was £ 35,000 per annum, & that the 2013 Net UK Contribution to “Brussels” of £ 14.8 billion had been used instead to create new NHS nursing posts in the UK, how many such posts would have been created ? The answer is four hundred & twenty four thousand and fifty seven: **424,057** – not far off half a million.*

**Table 2: UK Contributions to EU Institutions: £ bn**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Cum. 2009-2013</b>
Gross UK Contribution	17	18	20	20	22	98
Receipts from EU Inst.	10	8	8	7	7	40
Net UK Contribution	(7)	(11)	(12)	(13)	(15)	(58)

- In 2013, the **UK Gross Contribution to EU Institutions** hit a new record of **£ 22 bn, equivalent to £60 million per day**. UK Gross & Net Contributions began rising sharply from 2009 onwards as a result of the abandonment by Mr Blair, then Prime Minister, on 17th December 2005, of part of the Fontainebleau Abatement. The UK Net Contribution more than doubled between 2009 & 2013. *Table 2*

<b>Table 3: UK Exports (Goods, Services, Income, Transfers) 2009 to 2013 £ bn</b>					
	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Exports to EU-27	275	288	322	289	296
Exports to Rest of World	322	351	395	400	395
<b>Exports to whole World</b>	<b>597</b>	<b>639</b>	<b>717</b>	<b>689</b>	<b>691</b>
<i>Proportion EU-27/World#</i>	<i>46%</i>	<i>45%</i>	<i>45%</i>	<i>42%</i>	<i>43%</i>
<i># <b>Not</b> adjusted for the Rotterdam-Antwerp Effect or the Netherlands Distortion (see Global Britain Briefing Note No 64). The “real” proportion is lower than given here.</i>					

- In 2013, 57% (probably 60% or more when account is taken of the *Rotterdam-Antwerp Effect* & the *Netherlands Distortion*) of British exports went to the outside the EU. (Taking 60% as the real proportion, this means that **UK exports outside the EU are already 50% higher [60 minus 40 divided by 40] than UK exports to the EU.**) *Table 3*
- In 2013, 43% of British exports (probably 38% or less when account is taken of the *Rotterdam-Antwerp Effect* & the *Netherlands Distortion*) went to EU-27. *Table 3*

<b>Table 4: UK Current Account Balance with EU-27 &amp; Rest of World £ bn</b>						
<b>Year</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Cum. 2009-13</b>
Balance UK/EU-27	(35)	(44)	(43)	(76)	(89)	(288)
Balance UK/Rest of World	(6)	+3	+16	+14	+17	+45
Balance UK/WholeWorld	(41)	(41)	(27)	(62)	(72)	(243)

- Cumulatively, between 2009 & 2013, the UK trade surplus with the world outside the EU was £ 45 bn. Over the same period, the UK deficit on trade with EU-27 was £288 bn. *Table 4*
- The UK traded in deficit with twenty of its twenty-six EU partners in 2013.

- The UK has a structural surplus on its trade with the USA. In 2013 alone, the UK surplus with the USA was £ 36 billion. *Table 6*
- The UK also has a structural surplus on its trade with Australia, Brazil, Singapore, South Korea, Switzerland & the USA, recording surpluses with those countries in most or all of the last twelve years. *Table 9.2 of the 2013 Pink Book*

<b>Table 5: UK Current Account by category in 2013: £ bn</b>					
	<b>Goods</b>	<b>Services</b>	<b>Income</b>	<b>Transfers</b>	<b>Total</b>
<b>Exports:-</b>					
To EU-27	155	73	61	7	<b>296</b>
To Rest of World	152	131	101	11	<b>395</b>
<b>Exports to World</b>	<b>307</b>	<b>204</b>	<b>162</b>	<b>18</b>	<b>691</b>
<i>Exports to World by type as percentage</i>	<i>44%</i>	<i>30%</i>	<i>23%</i>	<i>3%</i>	<i>100%</i>
<b>Imports:-</b>					
From EU-27	221	63	81	21	<b>385</b>
From Rest of World	196	63	94	24	<b>378</b>
<b>Imports from World</b>	<b>417</b>	<b>126</b>	<b>175</b>	<b>45</b>	<b>763</b>
<i>Imports from World by type as percentage</i>	<i>55%</i>	<i>17%</i>	<i>23%</i>	<i>6%</i>	<i>100%</i>
<b>Balances:-</b>					
With EU-27	(66)	10	(19)	(13)	<b>(89)</b>
With Rest of World	(44)	68	(7)	(13)	<b>17</b>
<b>With World</b>	<b>(110)</b>	<b>78</b>	<b>(13)</b>	<b>(27)</b>	<b>(72)</b>

<b>Table 6: Balances: Largest UK Surpluses &amp; Deficits in 2013: £ bn</b>		
<i>Surpluses</i>	USA	36
	Australia	7
	Switzerland	4
	South Korea	4
	Ireland	4
<i>Deficits</i>	Germany	35
	China + Hong Kong	16
	Norway	15
	EU Institutions	15
	Spain	10

### *Notes & Data Sources*

*The Pink Book 2014, 31<sup>st</sup> October 2014, [www.statistics.gov.uk](http://www.statistics.gov.uk) > Economy > Balance of Payments > The Pink Book 2014. The statistical data summarised in this Briefing Note is from Part 3, Chapter 9: Geographical Breakdown of Current Account.*

Payments to & from supra- & international organisations, & remittances by expatriates, which are included in “Transfers”, are not strictly-speaking “Trade”, but a large proportion of them are trade-related. HM Government itself justifies UK payments to the EU on the grounds (unsupported by any evidence) that “*the UK needs to be in the EU for trade*”.

The data above is not adjusted for the Rotterdam-Antwerp Effect or the separate Netherlands Distortion (see *Global Britain Briefing Note No 64, “The Rotterdam-Antwerp Effect & the Netherlands Distortion” 7<sup>th</sup> January 2011*). The effect of these two statistical distortions is to significantly overstate (in the *Pink Book*) the value of UK exports to EU-27, & to significantly understate the value of UK exports outside the EU.

*In the tables, brackets mean “minus”.*

*Due to rounding, columns & rows may not sum exactly.*

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*BN99: PinkBook 2014: Transforming the NHS ?*

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