

News from the Brexit Cliff Edge

27th Feb 2019

News Highlights

Welcome to the Brexit Cliff Edge

- Theresa May `offered` MPs a vote on a No Deal Brexit and a chance to extend the exit date beyond March 29th in Parliament, should her revised plan be rejected that day by Parliament
- Theresa May stated that any Brexit delay cannot go past the May European Elections
- Businesses need to be prepared not for one cliff-edge Brexit, but two dates now, as it could be the end of March or the end of May. This creates a new layer of economic uncertainty
- The Daily Telegraph revealed the government has signed off plans to settle a large part of the £39bn Brexit divorce bill even in the event of a No Deal Brexit
- The hardline Tory Eurosceptic group, the ERG, appear not to be happy with the prospect of a delay and look set to vote against Theresa May`s deal on March 12th, which will make a delay more likely
- The FT published a view on how Grexit was badly handled by Greek politicians a few years ago. Greek politicians lacked an understanding of the EU`s political and institutional dynamics, had a flawed negotiation strategy and could not realise the EU would act cautiously and focus like a laser beam on its own unity first and foremost. Sounds just like the UK, doesn`t it?
- The government published its No Deal impact assessment on business and trade. It forecasts customs checks would cost business £13bn a year, food prices would rise sharply and there was little evidence that business or the public are prepared for the consequences
- DEXEU`s No Deal analysis said the UK economy would be 6.3-9% smaller in the event of a No Deal scenario, across a period of 15 years, assuming no action is taken to stop it
- Ministers have handed a contract for shipping critical NHS supplies from Belgium to the UK to DHL - the firm behind the KFC chicken shortages fiasco
- Bank of England governor Mark Carney warned MPs economic growth would be guaranteed to fall in the event of a No Deal Brexit
- Bank of England monetary policy committee member, Gertjan Vlieghe, estimated Brexit so far had cost the UK economy £40bn a year of lost growth, when compared to 2 years ago, which works out at £800m per week
- No Deal would put vulnerable people at risk and would severely affect councils, according to a Department of Health and Social Care presentation for DEXEU
- Vauxhall`s CEO said the carmaker would NOT shy away from unpopular decisions, including shutting factories, in the event of a No Deal Brexit
- The Irish press reported ferry companies are putting on some extra roll-on, roll-off capacity onto direct routes to Europe, bypassing the UK, so Irish hauliers can avoid burdensome customs checks and delays
- Theresa May will protect sensitive agricultural and manufacturing sectors with tariffs, if the UK leaves the EU without a deal. It would increase the price of lamb, beef, milk and cheese - and - it would increase the price of food from the EU. She plans to do away with tariffs for many other items, which run a risk of the UK seeing cheaper competition from across the world swamping its producers
- There was talk of Tory MP Alberto Costa being sacked, for tabling a cross-party motion to

protect EU citizens rights in the UK and abroad

- Leave Means Leave issued a threat that it would mount a legal action against the government to ensure the European Elections are held on May 23 if Article 50 is extended

Jobs at Risk

Which companies are leaving UK, downsizing or cutting jobs ahead of Brexit?

Brexit brings us nightmarish new headlines from the business world on most days at present. Declining manufacturing growth; £44bn-worth of transactions in jeopardy every day and retailers chiming in to say prices of some foods could rise by 45 per cent, to say it's looking dicey out there is putting it mildly. The fact that former Brexit secretary David Davis chose to deny the UK was heading into a "Mad Max-style dystopia" is arguably quite telling. Even Somerset Capital Management, a firm co-founded by Brexiteer Jacob Rees-Mogg, has warned that the UK's departure from the EU could cause "considerable uncertainty".

<https://www.independent.co.uk/news/business/news/brexit-companies-leaving-uk-list-job-cuts-eu-no-deal-customs-union-a8792296.html>

Economic Impact

UK growth 'guaranteed' to fall in no-deal Brexit, Mark Carney warns MPs

UK growth is "guaranteed" to fall in the event of a no-deal Brexit, the Bank of England's governor Mark Carney has told MPs. The Bank slashed its UK growth forecast for 2019 to 1.2 per cent earlier this month - down from the 1.7 per cent forecast in November - even on the assumption of a Brexit deal and smooth transition.

<http://www.cityam.com/273837/uk-growth-guaranteed-fall-no-deal-brexit-mark-carney-warns>

@PickardJE "UK economy would be 6.3-9% smaller in the long term in a no deal scenario (after around 15 years) than it otherwise would have been when compared with today's arrangement"

Dexu has published No-Deal analysis "UK economy would be 6.3-9% smaller in the long term in a no deal scenario (after around 15 years) than it otherwise would have been when compared with today's arrangements, assuming no action is taken"

<https://twitter.com/PickardJE/status/1100446641038020608>

How has Brexit vote affected the UK economy? February verdict

While the gloomiest of economic forecasts made ahead of the EU referendum in 2016 might not have come to pass, increasing evidence has emerged of the gradual damage the vote unleashed for the economy. This month, a member of the Bank of England's monetary policy committee, Gertjan Vlieghe, put the cost at £40bn a year of lost GDP growth compared to a vote to remain two-and-a-half years ago. That's about £800m a week, he said, which is more than double what the leave campaign claimed could be saved on EU membership fees and instead spent on the NHS.

<https://www.theguardian.com/business/2019/feb/26/brexit-uk-economy-february-growth-trade>

Pound rises amid Brexit delay speculation

The pound has hit a 21-month high against the euro, following increased speculation about a delay to Brexit. Prime Minister Theresa May said in the Commons that if no deal was agreed and if a no-deal exit was rejected, then there could be a short extension to the date for Britain to leave the EU. At one point, sterling hit €1.1643, its highest level since May 2017. However, Mrs May's concession was not as wide-ranging as investors had hoped, causing sterling to dip again.

<https://www.bbc.co.uk/news/business-47372955>

Administrative Fall Out

Germany promises 'better pay, weather and food' to tempt NHS nurses to leave UK after

Brexit

A German hospital is trying to lure NHS nurses to leave the UK after Brexit with promises of better pay, weather and food. The University Hospital of Dusseldorf has placed adverts in two Polish newspapers published in Britain, hoping to convince Poles currently working in NHS hospitals to swap Britain for Germany. The adverts, written in German and Polish, feature Dusseldorf's attractive skyline against blue skies with the River Rhine in the foreground. As well as telling Polish nurses they could boost their salaries, the adverts also point out Germany had better weather and cuisine than Britain.

<https://www.independent.co.uk/news/world/europe/germany-brexit-nhs-nurses-hospital-poland-eu-a8798006.html>

No-deal Brexit could put vulnerable people at risk, officials warn

A no-deal Brexit could result in failures of social care providers that may put vulnerable adults at risk and seriously affect councils and the NHS, according to a leaked civil service document. The official warnings are contained within a Department of Health and Social Care presentation passed to the Guardian that has been prepared for a meeting of its EU exit delivery board to be held on Tuesday.

<https://www.theguardian.com/politics/2019/feb/26/no-deal-brexit-could-put-vulnerable-people-at-risk-officials-warn>

Vauxhall says it won't shy away from the 'dark side' in no-deal Brexit

The chief executive of Vauxhall owner PSA Group said the carmaker would not shy away from unpopular decisions, including shutting factories, if there is a no-deal Brexit. Carlos Tavares said PSA has built up stockpiles of parts and products in preparation for disruption, and that "the bureaucracies of supply chain are going to be disruptive if there is a no-deal [Brexit]". However, Tavares also said that the Vauxhall brand's appeal to Britons could provide the company protection not available to European rivals in the UK's large car market.

<https://www.theguardian.com/business/2019/feb/26/no-deal-brexit-vauxhall-says-it-wont-shy-away-from-the-dark-side>

'Beyond insane': why one woman fears no-deal Brexit could kill her

A woman who has been on kidney dialysis for 21 years has told how she fears she could die in a no-deal Brexit because irresponsible politicians are playing with people's lives. She says she is so concerned that she is prepared to go on dialysis strike outside Downing Street to drive home the dangers facing her and other home dialysis patients. Madeleine Warren needs a daily supply of 15 consumables including syringes, blood lines and acid fluid to allow her to conduct home dialysis five nights a week, but the supply is threatened in a no-deal scenario as half of the items are made in the EU.

<https://www.theguardian.com/politics/2019/feb/26/beyond-insane-why-one-woman-fears-no-deal-brexit-could-kill-her>

Britain's Other Irish Border Is Also a Big Brexit Problem

Some Irish haulage companies are looking at avoiding the UK as a stepping stone to mainland Europe and switching to direct ferry routes from Ireland to France, Belgium, the Netherlands and Spain. CLdN Cobelfret SA, Irish Ferries and Brittany Ferries have all added extra roll-on, roll-off capacity on direct routes to Europe - any delays in customs check jeopardise haulage contract business, particularly with food deliveries

<https://www.bloomberg.com/news/features/2019-02-26/britain-s-other-irish-border-is-also-a-big-brexit-problem>

Theresa May to impose agricultural tariffs in no-deal Brexit

Theresa May has decided to protect sensitive agricultural and manufacturing sectors if Britain leaves the EU without a deal — but to slash duties on all other goods imports in a no-deal Brexit. While many British farmers are intensely worried about being wiped out by cheap imports, the decision to use tariffs to protect products such as beef, lamb, milk and cheese would increase the price of many foodstuffs from the EU and expose other products to competition from other parts of the world

<https://www.ft.com/content/7bc687cc-3922-11e9-b856-5404d3811663>

Pharma industry steels itself for no-deal Brexit

Despite all the industry's planning, many potential problems are beyond its control — such as congestion at ports and the regulatory regime on both sides of the English Channel. Both could affect whether there are sufficient supplies of vital drugs. Moreover, both the UK government and business have recognised that investment in the sector could be dented, because Brexit implies extra costs for pharmaceutical companies, which in turn could affect patients' access to medicines. David Jefferys, an executive at Eisai, the Japanese pharma company, who has the regulation brief at the Association of the British Pharmaceutical Industry, said companies could not eliminate the possibility of patients facing drug shortages in the event of no-deal.

<https://www.ft.com/content/bcb554da-35cf-11e9-bd3a-8b2a211d90d5>

Brexit may clip wings of UK game shooters

Britain's shooting parties may find themselves short of pheasants and partridges to kill next season if transport delays prevent chicks being imported from France, game exporters say. 40 percent of the pheasants and nine in every 10 of the partridges shot in Britain are imported, nearly all from France, where exporters specialise in breeds that are popular in Britain, such as ring-neck pheasants and red-legged partridges. "It is mainly day-old chicks that will be a problem, we only have 24 hours to send them over," said Denis Bourasseau, whose company Gibovendee in western France controls about half the exports of game bird eggs and hatchlings to Britain. "There is a real risk for British hunters in case of disrupted logistics, be it a hard Brexit or not. If we can no longer ensure the welfare of animals, concretely we will no longer be able to export them." He estimates British shoots will see about a 10 percent reduction in the 40 million gamebirds released each year as a result of Brexit. Shortages would have been greater in the past, when most game birds were exported live.

<https://uk.reuters.com/article/uk-britain-eu-brexit-shooting/brexit-may-clip-wings-of-uk-game-shooters-idUKKCN1QF1TB?feedType=RSS&feedName=domesticNews>

Any form of Brexit will hurt the NHS, but a No Deal will be worst, warns leading medical journal

A Brexit deal desperately needed to avoid disastrous consequences for the NHS. Any Brexit is negative for the NHS, but No Deal must be avoided. Leaving the EU leaves hospitals struggling to fill jobs and supply medicines, the report concludes

<https://www.dailymail.co.uk/news/article-6745263/Any-form-Brexit-hurt-NHS-No-Deal-worst-warns-leading-medical-journal.html>

Reports: Brexit will hurt the UK games industry and reduce investment

Jas Purewal, lawyer and co-founder of Games4EU, suggest that with the current deal on the table the UK will lose the EU laws on data adequacy and immediately replace them with a copy. "If the EU moves ahead with further regulation of interactive entertainment, the current Brexit direction of travel means the regulation would go ahead without British involvement but still be binding on the UK both formally, as a result of any likely exit deal, and practically, given the size of the EU market and the publishers' strong preference for common EU products wherever possible," he explained. We will also lose access to EU start-up grants, which can be in the millions of euros, these have been used by new studios to kick start their business.

<https://www.thesixthaxis.com/2019/02/26/reports-brexit-will-hurt-the-uk-games-industry-and-reduce-investment/>

Minister prepares sector to face possible 'no deal' Brexit

The Minister talked about the continuing preparedness work that the Government as a whole was doing, and the specific work in relation to fisheries at both national and EU level. "Today was about ensuring that our fishing representatives are fully informed of the preparedness work that is underway. If the EU fleet is excluded from UK waters it would have serious implications for the Irish fleet," explained Creed. "To minimize that possible impact, there must be a co-ordinated EU level

response by the Commission, relevant Member States and fisheries stakeholders,” he continued.

<https://www.fis.com/fis/worldnews/worldnews.asp?country=0&monthyear=&l=e&id=101735&ndb=1&df=0>

Brexit: ITV could suffer

Carolyn McCall, ITV’s CEO, warned in November last year that ad-income for the fourth quarter (to December 31st) could fall by 3 per cent and that last month could suffer by as much as 8 per cent. Patrick Wellington, an analyst at investment bank Morgan Stanley , suggests in a note to clients that ad-revenues could slide by up to 20 per cent during February, and that there would be a modest recovery in April, flat in May but tumbling between 15 per cent -20 per cent in June and July (although those months last year also saw the peak benefits of the World Cup football screenings).

<https://advanced-television.com/2019/02/26/brexit-itv-could-suffer/>

How to protect yourself against scams during Brexit period of change

Consumers are being urged to take steps to protect themselves after a government publication warned that scams could increase during Brexit. The document, which looks at the impact of a no deal Brexit on financial services, warns there may be a greater risk of scams during any period of change.

<https://www.shieldsgazette.com/news/how-to-protect-yourself-against-scams-during-brexit-period-of-change-1-9616645>

Brexit to harm UK's cherished health service, experts say

A British exit from the EU without a deal would have “an immediate and drastic” impact on availability of medicines and vaccines as well as affecting health system funding and staffing, experts warned on Monday. Although a no-deal Brexit was the worst scenario, even a negotiated divorce from the European Union would also damage the National Health Service (NHS), the experts said in a review published in The Lancet journal.

<https://www.reuters.com/article/us-brexit-health-nhs/brexit-to-harm-uks-cherished-health-service-experts-say-idUSKC N1QE2P9>

Delay to Brexit could mean a 'damaging double cliff-edge'

Delaying Britain’s departure from the EU would be better for the economy in the longer term – but the move could also have a damaging impact on firms that have spent two years preparing for a 29 March exit and now face the prospect of planning for a double cliff-edge, in March and June, business leaders have warned.

<https://www.theguardian.com/politics/2019/feb/26/delay-to-brexit-could-mean-a-damaging-double-cliff-edge>

Political Shenanigans

Theresa May offers MPs vote on no deal Brexit and chance to extend exit date beyond March 29

Prime Minister Theresa May has promised to give MPs a vote on extending Brexit negotiations or withdrawing from the EU without a deal if her plan is rejected next month. In a dramatic statement to the House of Commons, Mrs May confirmed that she will put her Withdrawal Agreement - including whatever additional assurances she has secured from Brussels - to a "meaningful vote" by March 12. If that fails, MPs will be offered two separate votes the following day - one on a no-deal Brexit, and the other on requesting an extension to the two-year Article 50 negotiation process to delay EU withdrawal beyond March 29. The sequence of votes will be proposed in an amendable motion tabled by the Prime Minister for debate and vote in the Commons on Wednesday.

<https://www.newsletter.co.uk/news/politics/theresa-may-offers-mps-vote-on-no-deal-brexit-and-chance-to-extend-exit-date-beyond-march-29-1-8825346>

Additional sources: (Sky News) (Belfast Telegraph) (BBC News)

May's Article 50 extension is a trick to take us to the real cliff edge

Ian Dunt nails Prime Minister Theresa May's obfuscation and intentional half-truths in an excellent article about how she is doing 'just enough' to keep moving the nation closer to her Brexit. She conceded 'some' of the ground proposed in the Cooper-Letwin amendment to delay leaving the EU but not enough to bind her hands legally. She tacitly admitted that if we extended it would only be to the eve of the European Elections and she balked at the UK participating in them. With a legislative mountain of work still to do, even two months more would not be enough. May has in fact signalled there are two cliff edge Brexits not one and the second one is the eve of the EU elections in May

<http://politics.co.uk/blogs/2019/02/26/may-s-article-50-extension-is-a-trick-to-take-us-to-the-real>

Brexit: Labour WILL back second EU referendum to avoid No Deal announces Corbyn

Labour has announced plans for the party to vote "in favour of" a second EU referendum. In a bombshell development 32 days before Brexit, the party said it will "put forward or support" an amendment "in favour" of a so-called People's Vote. It is still unclear exactly what form the party's backing for a second referendum would take and what conditions could be put on it. A prominent Labour MP said it will only happen next month, when MPs vote on Theresa May's final Brexit deal. But it's being seen as a major step forward by Remainers in the party after months of lobbying the leadership - which previously only had a public vote as an "option on the table".

<https://www.mirror.co.uk/news/politics/breaking-brexit-labour-back-second-14052198>

If we're heading for a hard Brexit, then we're heading for a united Ireland

If an alternative arrangement that worked actually existed (or was likely to exist in the next couple of years) Brexiteers would have already accepted the backstop, knowing they could easily replace it with their idea during the transition. The fact that they won't bet on themselves tells you all you need to know about what they have in the locker.

<https://www.theguardian.com/commentisfree/2019/feb/26/hard-brexit-united-ireland-second-referendum-dup>

EU told to help UK launch second Brexit referendum for 'second chance' to stop exit

Jean Asselborn, who served as deputy prime minister of Luxembourg under Mr Juncker, said the EU should allow Britain to nominate members of the European Parliament for a short period. Mr Asselborn, now Luxembourg's foreign minister, said the move would allow the UK to participate in May's elections but would not tie British MEPs to Brussels. The 69-year-old told Reuters any second referendum was likely to push the timetable back by six months or more. Mr Asselborn explained the European Parliament elections in May were a problem but did not need to be a stumbling block.

<https://www.express.co.uk/news/politics/1092621/brexit-news-eu-deal-vote-second-referendum>

May's Brexit Deal Hinges on Just One Man

Whether another vote comes to pass, or Brexit is delayed, now depends very much on if the prime minister can convince lawmakers in her own party to back her deal. It is one of the more curious twists of the Brexit drama that this job - and thus the fate of Theresa May and her divorce deal - falls to a lawyer few had heard of a year ago. There is a simple reason for that: Geoffrey Cox may be the only official left who critics of the prime minister's deal feel they can trust. It was the attorney general's damning November legal advice, which the government was forced to publish, that largely motivated parliament to reject her deal in January. May is now hoping Cox will change his opinion and help her win over enough votes to pass the settlement agreement next month. Failing that, the fate of Brexit looks to be truly out of her hands.

<https://www.bloomberg.com/opinion/articles/2019-02-25/the-fate-of-brexit-hinges-on-geoffrey-cox-not-jeremy-corbyn>

Brexit polls: top UK pollster John Curtice says Remain has a 'consistent' 53-47 lead, but it's based on non-voters showing up

One of Britain's top polling experts has said his model shows voters' desire to remain in the EU is currently commanding a "narrow but consistent" majority, but warned this depends on non-voters

who back Remain turning up to vote in any future referendum. Sir John Curtice, Professor of Politics at the University of Strathclyde, told BBC Radio 4's Today Programme on Tuesday that Remain is polling ahead of Leave, as he discussed the Labour Party's decision to endorse a second referendum between Theresa May's Brexit deal and staying in the EU.

<https://inews.co.uk/news/brexit/brexit-polls-latest-john-curtice-remain-lead-leave-non-voters/>

What does Labour's policy change on a new Brexit referendum actually mean?

An emailed news release to journalists said he would tell them the party will "put forward or support an amendment in favour of a public vote to prevent a damaging Tory Brexit". It is not yet clear when he will "put forward" such an amendment, or when there would be a suitable amendment for him to "support".

<https://www.independent.co.uk/news/uk/politics/labour-brexit-second-referendum-corbyn-policy-explained-a8797716.html>

Jeremy Corbyn warned Labour may lose heartlands with fresh Brexit vote

The Labour leader dropped a welcome bombshell with news tonight that he would throw his weight behind a second referendum - but there are fears he may damage electoral chances in key Leave-voting marginals. Jeremy Corbyn last night vowed Labour would do everything it could to stop Britain crashing out of the EU with a no-deal he warned would be disastrous for the country. And the Labour leader finally backed a plan for a second referendum, despite fears it could cost him vital votes.

<https://www.mirror.co.uk/news/politics/corbyn-warned-party-lose-heartlands-14052647>

Independent Group table second referendum amendment to 'break Brexit gridlock'

MPs from the newly-formed Independent Group have tabled a amendment seeking to pave the way for a second Brexit referendum. The move comes after Labour's announcement the party would back attempts in the Commons for a fresh public vote, if it fails to force MPs to adopt its own Brexit plans in a series of votes on Wednesday evening in the chamber. The fresh bid has the support of MPs in the Scottish National Party, the Liberal Democrats, and Plaid Cymru - increasing the chances of it being selected by the Commons Speaker on Wednesday morning.

<https://www.independent.co.uk/news/uk/politics/independent-group-brexit-deadlock-eu-referendum-peoples-vote-a8798501.html>

Brexit: If not 29 March, then when?

Theresa May has bowed to pressure from a group of Tory MPs and ministers and agreed to give Parliament a vote on delaying the UK's departure from the EU on 29 March. This will take place only if MPs reject her Brexit deal for a second time and then also say no to the UK leaving the EU without a comprehensive, legally binding agreement - the so-called no-deal scenario. With just 31 days to go, Parliament has yet to approve the terms of withdrawal negotiated with the EU.

<https://www.bbc.co.uk/news/uk-politics-47355968>

Tory Brexiteers cry 'plot' and 'betrayal' after Theresa May U-turns on delaying Brexit

Theresa May's "screeching U-turn" on giving MPs the chance to delay Exit Day has been branded a betrayal by Tory Brexiteers, who suspect it is part of a plot to stop Brexit. The backlash to Mrs May's dramatic move came as a UK Government analysis on a no-deal scenario warned Britons were largely not prepared for such an outcome, which would result in higher food prices, delays at Dover lasting months and an extra £13 billion hit in costs to businesses.

<https://www.heraldscotland.com/news/17461378.tory-brexiteers-cry-plot-and-betrayal-after-theresa-may-u-turns-on-delaying-brexit/>

Labour finally backing the People's Vote is a victory, but the battle is far from over

Labour appears to have finally backed a People's Vote - but now is not the time to get complacent. Now is the time to continue the work organisations Our Future Our Choice (OFOC), For Our Future's

Sake (FFS) and the young people of this country have done so far.

<https://metro.co.uk/2019/02/26/labour-finally-backing-peoples-vote-victory-battle-far-8746275/>

EU Considers 21-Month Delay If May Can't Get Brexit Done

In just over a month, the U.K. is meant to be departing the union it's belonged to for 40 years but the outlook has never looked more uncertain. May's hands are increasingly tied by an unpopular divorce deal she sealed with the EU but that Parliament has rejected by a landslide. Brexit has proved to be such a divisive issue that both mainstream parties have suffered defections, businesses are panicking, and voters are exasperated. Delaying Brexit has the potential to split May's Cabinet and her ruling party, triggering a rebellion from Brexit-supporting Tories who might even try to bring down her government.

<https://www.bloomberg.com/news/articles/2019-02-24/eu-is-said-to-mull-idea-of-proposing-brexit-extension-to-2021>

Government planning to pay billions to Brussels - even in event of no-deal Brexit

The Government is making plans to pay billions of euros to Brussels to settle large parts of the £39bn Brexit divorce bill even in the event of a 'no deal', the Telegraph can reveal. Ministers signed off the in-principle decision on Monday at a meeting of the Brexit 'no deal' preparedness cabinet committee, according to senior Whitehall sources. Under a plan agreed on Monday, the Government will table an executive order, or Statutory Instrument, in the final days of the Brexit negotiations to create the legal foundations for future payments to Brussels. This flies in the face of hardline Brexiteers hopes that No Deal would mean the UK simply walking away.

<https://www.telegraph.co.uk/politics/2019/02/25/government-planning-pay-billions-brussels-even-event-no-dealbrexit/>

Political Setbacks

Grexit lessons for Brexit

"Just like Greece, the UK lacked an understanding of the EU's political and institutional dynamics. This led to a flawed negotiating strategy . . . As with Grexit, time has worked in the EU's favour. By 2015, the EU was better prepared to manage a possible Grexit; so it is today with Brexit," Mr Papaconstantinou writes. He draws attention to "the UK's shambolic internal decision-making on Brexit", so similar to the manner in which one Greek government after another lost the EU's trust by appearing unable to make up its mind, keep promises or refrain from provocative complaints about EU bullying and blindness. All this "reinforced the EU's inclination to embrace caution" and to "focus on its own unity", he says.

<https://www.ft.com/content/be778c0a-39b9-11e9-b72b-2c7f526ca5d0>

Rich getting richer while poor get poorer, official figures show - with 'Brexit and benefits freeze to blame'

The rich are getting richer while the poor get poorer, according to official statistics, dealing a heavy blow to Theresa May's claim to be tackling "burning injustices". They showed the incomes of the richest fifth of households grew by 4.7 per cent last year - while the incomes of the poorest fifth of households fell by 1.6 per cent. The respected Resolution Foundation thinktank blamed the controversial freeze on benefit levels, adding to problems caused by higher inflation following the Brexit referendum.

<https://www.independent.co.uk/news/uk/politics/inequality-benefits-freeze-ons-brexit-theresa-may-labour-austerity-a8797416.html>

Public and businesses are not preparing for a no-deal Brexit, government document says

Despite warnings of the impact of a no-deal Brexit, members of the public and businesses are not preparing for such a scenario, a government document has said. A report drawn up for ministers paints a pessimistic picture of preparations for no-deal, noting that a third of the "most critical projects" to get Britain ready for such a scenario are not "on track". The document, which sets out

the implications for businesses and trade if Britain leaves the EU without a deal, also claims warnings are not getting through to businesses and members of the public.

<https://news.sky.com/story/public-and-businesses-are-not-preparing-for-a-no-deal-brexit-government-document-says-11649181>

Tom Richmond: "I don't know" should not be a Government's method of running the country, as the Brexit crisis deepens

Matthew Parris, a one-time Tory MP, wrote a devastating critique of the PM's current modus operandi. "Warnings are delivered to her, and ignored. Plans are run by her, unacknowledged. Messages are sent to her, unanswered. She has become the unperson on Downing Street: the living embodiment of the closed door," he wrote. And while this criticism in The Times, not subsequently denied by Downing Street, reflects poorly on Mrs May who should have heeded all those, including The Yorkshire Post, who advised her to appoint a strong deputy to take charge of domestic politics while she focused on Brexit, it shows Ministers in an even worse light as they appear to abdicate their duties while hoping Transport Secretary Chris Grayling's myriad failings over trains, ferries and much else will mask their own deficiencies.

<https://www.yorkshirepost.co.uk/news/opinion/tom-richmond-i-don-t-know-should-not-be-any-government-s-way-of-running-the-country-as-brexit-crisis-deepens-1-9616027>

Corbyn faces backlash over second Brexit referendum plan

Labour leader Jeremy Corbyn has been warned the party risks "catastrophic" damage to support in leave-supporting seats after backing a second referendum on Brexit. Mr Corbyn said if Theresa May's Brexit deal gets through Parliament "there must be a confirmatory public vote". The shift in policy, which would see voters asked to decide between a deal and remaining in the EU, won plaudits from Remain-supporting MPs but led to warnings of electoral disaster in some of Labour's heartlands.

<https://www.belfasttelegraph.co.uk/news/uk/corbyn-faces-backlash-over-second-brexit-referendum-plan-37856781.html>

Brexit deal needs delay for law to pass Commons - Tory MP

Speaking to BBC Radio 4's the World At One, Mr Bebb said: "Most people in [the Commons] know full well that even if the prime minister's deal was to be put in front of the house tomorrow and pass, we would still need an extension of article 50 in order to get the legislation that needs to be passed in order to allow the prime minister's deal to operate to be put in place. "The reality is that we're not currently in a situation where we can leave the European Union because our legal system is not currently in a situation where that can be done."

<https://www.bbc.com/news/uk-wales-politics-47373425>

We're heading into the 'Mad Max Brexit dystopia' that David Davis once promised us we'd avoid

International trade secretary Liam Fox says a no-deal Brexit is 'survivable'. So is rickets and getting bitten by a Komodo dragon, but I wouldn't describe those as 'exciting opportunities.' Hard to believe, but unmistakably dystopian, the EU Exit and Trade (Preparedness) Committee has been charged with exploring preparation for parts of the country "geographically vulnerable" to food shortages and sourcing alternative food for schools, hospitals and prisons. Our jails forced to go without porridge. Imagine.

<https://www.independent.co.uk/voices/brexit-leaving-eu-mad-max-dystopia-theresa-may-david-davis-food-shortages-rioting-a8797101.html>

No-deal Brexit could raise food prices, says government assessment

The government has tonight given its own assessment of the economic impact of a no deal – and it's a sobering read. It accepts that the flow of goods through Dover and the Channel Tunnel could be

significantly reduced for months and that could push up food prices. And it says a big part of the problem is that many businesses are still not preparing for no deal.

<https://www.channel4.com/news/no-deal-brexiteer-could-raise-food-prices-says-government-assessment>

Brexit Cliff-Edge Merely Delayed, Not Off the Table, BAML Says

Gilles Moec, chief European economist at Bank of America Merrill Lynch, and Peter Dixon, global equities economist at Commerzbank, comment on the outlook for the UK company, pointing out that news today has simply delayed the cliff-edge exit not taken it off the table

<https://www.bloomberg.com/news/videos/2019-02-26/brexit-cliff-edge-merely-delayed-not-off-the-table-baml-says-vid eo>

No-deal Brexit panic after ministers realize the UK doesn't have the right pallets for exporting to the EU

The UK Department for Environment, Food, and Rural Affairs is set to hold an emergency meeting with business leaders on Tuesday. They are expected to discuss emergency no-deal Brexit plans after the government confirmed last week that it does not have enough pallets — structures used to transport goods — for UK companies to export to the European Union in a no-deal Brexit. The extraordinary acknowledgment left affected industry leaders baffled. Labour criticised the "incompetency and lack of forward planning."

<https://www.businessinsider.com/brexit-michael-gove-ministers-to-hold-emergency-meeting-over-no-deal-chaos-2019 -2>

Brexit: No-deal impact assessment published

The government has published its assessment of the impact of a no-deal Brexit on business and trade. The report said "some food prices are likely to increase" and customs checks could cost business £13bn a year in a no-deal scenario. It also said there was "little evidence that businesses are preparing in earnest".

<https://www.bbc.co.uk/news/uk-politics-47379308>

Mike Nesbitt: Some unionists are now weighing up Irish unity

Mike Nesbitt, who stepped down as Ulster Unionist leader almost two years ago but remains an MLA, said that many people in Northern Ireland feel "diminished" as a result of Brexit and he suggested that it may be the biggest own goal by unionists since the creation of Northern Ireland almost a century ago.

<https://www.newsletter.co.uk/news/mike-nesbitt-some-unionists-are-now-weighing-up-irish-unity-1-8824491>

Parliament should use a delay to rethink Brexit

A softer withdrawal or a second referendum are the only realistic options...an extension must be accompanied by a new direction. The country deserves something better than the shambles of the past six months. The hardliners have had more than two years to convince parliament of their vision of Brexit. They have failed. Now, as MPs finally find their voices, there is an opportunity to forge a cross-party consensus for a more workable Brexit.

<https://www.ft.com/content/8479c9e0-39ce-11e9-b856-5404d3811663>

A brave Brexiteer would back a second vote

The hard Leavers of the ERG have obstructed the path to Brexit and it's time they made some honest decisions. In other words, if you really believe your own propaganda you would become advocates for a second vote. You can complain and say it shows the establishment has failed but tactically it's an obviously less risky path than the one you are on now. The truth is, I think you don't believe your own propaganda. You know that Mrs May's Brexit is much more than Brino and you aren't remotely confident that you could defend a no-deal Brexit. For all your talk of having a mandate for leaving on WTO terms, you are painfully aware that you'd struggle with the proposition

in a prolonged national debate.

<https://www.thetimes.co.uk/article/e17ffe2a-39e2-11e9-ac2f-7ff26270aa53>

It's time to be honest about Theresa May's deal and delay Brexit

There is now no time left. We need to level with the public about what the Brexit options on the table mean for them. To do anything less is a dereliction of our duty as public servants. It is now abundantly clear that the Government has one risky strategy to deliver Brexit: use distraction and displacement activity to run down the clock — and ram through a deal by threatening MPs with the unconscionable choice of backing the Prime Minister — or a disorderly exit from the EU. This is not the stuff of statecraft.

<https://www.standard.co.uk/comment/comment/it-s-time-to-be-honest-about-may-s-deal-and-delay-brex-it-a4076786.html>

Purga-Tories UK leave date faces three-month delay but hardline Brexiteers warn it won't end Parliament's deadlock

Britain is now unlikely to leave the EU until the end of June after hardline Brexiteers warned a Remainers' revolt will not end Parliament's deadlock. Theresa May was forced to offer MPs a three month extension to Article 50 talks to avoid a No Deal spin out in just 30 days time. The PM caved in to the demand to stop 20 ministers resigning to back a bid by Parliament to enforce the delay in a Commons vote. No10 now hopes the real threat of a Brexit delay will win round unhappy Tory MP Leavers to back her revised EU deal in a new showdown Commons vote on March 12. But senior European Research Group figures refused to blink, and instead said it is still "highly likely" they will vote it down.

<https://www.thesun.co.uk/news/brexit/8517970/brexit-delay-june-parliament-deadlock/>

Brexit: Contract for shipping NHS supplies given to firm behind KFC chicken shortage

Ministers have handed a contract for shipping critical NHS supplies in the event of a no deal Brexit to the firm behind the KFC chicken shortage fiasco. The Mirror has learned that a Government logistics hub in Belgium will rely on delivery firm DHL to transport some key goods across the Channel.

https://www.mirror.co.uk/news/politics/contract-shipping-nhs-supplies-given-14057910?utm_source=twitter.com&utm_medium=social&utm_campaign=sharebar

Contempt threat by Breakaway Independent Group MPs forces Cabinet to release £13bn cost of No Deal Brexit

'Implications for Business and Trade of a No Deal Brexit' Report - Here are just a few of the KEY warnings from the report- Government Departments across the board are NOT on track for a no deal. Customs Admin at ports will affect 240,000 UK businesses and cost them £13bn per annum in administrative costs alone, the HMRC estimates. There will be shortages of some foods, price increases, and the food supply industry is altogether unprepared. Northern Ireland will fare worse than the rest of the UK.

<https://bylinetimes.com/2019/02/26/contempt-threat-by-breakaway-independent-group-mps-forces-cabinet-to-release-13bn-cost-of-no-deal-brexit/>

No 10 braced for another Tory departure

Her plans for EU citizens in a no-deal Brexit scenario has been criticised by Alberto Costa, a loyalist MP who works as a parliamentary private secretary for David Mundell, the Scottish secretary. Mr Costa will table a motion to protect the right of three million EU citizens in the UK and one million UK citizens in the event of no deal. Mr Costa, who is 47 and was born in Britain to Italian parents, has been warned that putting down the government amendment is incompatible with his role but is refusing to resign, forcing the government to consider sacking him.

<https://www.thetimes.co.uk/article/dca0bf12-394b-11e9-ac2f-7ff26270aa53>

Leave campaign to sue if Brexit is delayed

Leave Means Leave, the cross party campaign group for Brexit, says it will mount legal action against the government to ensure European Elections are held in the UK on 23 May, if Article 50 is extended. The organisation has appointed the city law firm Wedlake Bell as well as counsel from Field Court Chambers to prepare this claim.

<https://metro.co.uk/2019/02/26/leave-campaign-sue-brexit-delayed-8756518/?ito=article.mweb.share.top.twitter>

Chester MP Chris Matheson on why he is losing respect for the 2016 EU referendum result

“The more I hear about what went wrong in that 2016 referendum, the less I actually respect the result,” says Chester MP Chris Matheson as the UK prepares to leave the European Union on March 29. Mr Matheson says if the referendum was a sporting event the ‘Leave’ campaigns would have been ‘disqualified months ago’.

https://www.cheshire-live.co.uk/news/chester-cheshire-news/chester-mp-chris-matheson-losing-15884961?utm_source=twitter.com&utm_medium=social&utm_campaign=sharebar

It's not just the EU that is alienated by Brexit. It's Japan too

A case can be made that the crux of the crisis stems from May's obsession with freedom of movement. Tories are supposed to believe in freedom, but not May. When she inherited the office she had desired for most of her life, the prime minister, who was apparently concerned that the Tory party was the “nasty party”, wanted to do lots of good, socially beneficial things. Instead, the nastiness has continued – social neglect is all around us – and she has been obsessed by opposition to the kind of free movement of labour that all but the most pig-headed Brexiters can see the British economy depends on. For this she was, and is, prepared to sacrifice membership of the customs union and the single market – apparently in an effort to keep the Conservative party together, an aim which looks increasingly doomed.

<https://www.theguardian.com/business/2019/feb/24/brexit-not-just-eu-alienated-japan-too-nissan-honda-hitachi>