

North East Surrey for Europe
Zoom talk

“Ignore the Myths – Here’s the Maths”

Vicky Pryce

5th November 2020

Vicky Pryce’s bullet points for her talk

1. Brexit is expected to be twice (or even three times) as damaging to the economy as Covid:
2. 40% of businesses have made no preparations for the end of the Transition period.
3. It takes 6 months to train a customs agent, and they are still only recruiting them.
4. Supermarkets import 80% of their stock from the EU, and are dependent on constant smooth flow of traffic to keep supply ahead of with demand. This is at risk if there are hold-ups with border chaos.
5. There are 10 different computer systems to be negotiated regarding the import and export paperwork, two of which are not yet written, never mind about tested, particularly the “Smart Freight” system.
6. There are up to 12 different forms to be prepared for each lorry load of exports.
7. December will see the end of the Brexit transition period which will add to uncertainty. Forecasts of a GDP fall of 10% for the year as a whole may prove too optimistic – as is the anticipated 7% recovery next year.
8. The BBC / ONS / Bank of England forecasts emphasise that the problem is that the Brexit impact is likely to be long term and also affect long term productivity.
9. But at least for the moment the latest support and compensation package unveiled by the Chancellor means that the increase in unemployment for the remaining months of 2020 may not be as high as feared. It remains to be seen whether all that it achieves is postponing the evil day.
10. But forecasts differ as uncertainty prevails - OECD argued that UK should delay the end date of the transition and that UK economy was too vulnerable for yet another shock. In October 2020 the OECD suggested that the UK should at least stay in the single market for a while after end of transition period, given the coronavirus hit on businesses and the economy. Much more will need to be done to ensure sustainable growth for the future.