

## What does Boris Johnson's Brexit deal mean for women?

Analysis from the Women's Budget Group – October 2019

WBG has set out its concern about the impact of Brexit, particularly a no deal Brexit, in multiple reports<sup>1</sup> and briefings<sup>2</sup> since 2017. Based on our analysis WBG has concluded that Brexit will have a damaging impact on the UK economy, with a 'hard Brexit', likely to be the most damaging<sup>3</sup>.

Although the Brexit deal proposed by Boris Johnson avoids some of the most catastrophic impacts of no deal, it represents a very 'hard' version of Brexit. It rules out a new customs union and a close relationship with the single market. For many women, particularly the poorest, black and minority ethnic (BAME) women and disabled women, this could mean job losses, cuts to services, squeezed family budgets and reduced legal protections. Far from taking back control, a bad deal with the EU will make us vulnerable to demands from larger countries to reduce consumer rights and regulations protecting public services and competitive pressures to reduce our own labour standards.

### Economic impact

Women are differently situated in the economy; they earn less, own less and have more responsibility for unpaid care, which means that any Brexit deal will have a different, and often disproportionate, impact on especially the poorest women, BAME women and disabled women.

WBG is generally wary of using GDP as the sole measure of the health of the economy, however this is the main measure that has been used in modelling to date and we are concerned that if the government responds to an economic crisis caused by Brexit as it did to the financial crisis this will lead to further austerity. Austerity policies since 2010 have disproportionately impacted women, and the poorest women, BME women and disabled women in particular.<sup>4</sup>

Modelling by UK in a Changing Europe of the Johnson deal suggests that compared with staying in the EU, income per capita in the UK would be 2.5% lower if Boris Johnson's Brexit deal is agreed (compared with 1.7% lower under Theresa May's deal and 3.3% lower in a no deal scenario.<sup>5</sup>)

The Government's own estimate of the impact of a limited free trade deal such as that proposed by Johnson concluded that this would decrease GDP by 6.7% by 2034 relative to staying in the EU. This amounts to making the average Briton £2.250 a year poorer by 2034<sup>6</sup>.

A no-deal Brexit will be even more damaging to the economy. Estimates vary from 5.5 to 9.5% lower GDP by 2030 compared to staying in the EU.<sup>7</sup> IPPR has calculated that in terms of employment impact women would be hit harder than men if there was a no deal Brexit.<sup>8</sup>

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<sup>1</sup> WBG (2018) Exploring the economic impact of Brexit on women <https://wbg.org.uk/wp-content/uploads/2018/03/Economic-Impact-of-Brexit-on-women-briefing-FINAL.pdf>

<sup>2</sup> WBG (2019) Operation Yellowhammer: a briefing from the UK Women's Budget Group <https://wbg.org.uk/analysis/operation-yellowhammer-briefing-from-the-womens-budget-group/>

<sup>3</sup> <https://wbg.org.uk/analysis/new-report-exploring-the-economic-impact-of-brexit-on-women/>

<sup>4</sup> WBG/Runnymede Trust (2017), Intersecting Inequalities: the impact of austerity on Black and Minority Ethnic women in the UK <https://wbg.org.uk/analysis/intersecting-inequalities/>

<sup>5</sup> UK in a Changing Europe (2019) The economic impact of Boris Johnson's Brexit proposals <https://ukandeu.ac.uk/wp-content/uploads/2019/10/The-economic-impact-of-Boris-Johnsons-Brexit-proposals.pdf>

<sup>6</sup> The Guardian (2019) UK would lose £130bn in growth if Brexit deal passed, figures suggest <https://www.theguardian.com/business/2019/oct/17/uk-lost-gdp-growth-brexit-deal-passed-official-estimates>

<sup>7</sup> <https://wbg.org.uk/wp-content/uploads/2018/03/Economic-Impact-of-Brexit-on-women-briefing-FINAL-1.pdf>

<sup>8</sup> <https://www.ippr.org/research/publications/an-equal-exit>

## Increased scope for deregulation

Aside from alterations to trading arrangements between Northern Ireland and the European Union, the defining feature of Boris Johnson's Brexit deal is that it provides increased scope for deregulation. This has real consequences for workers, women's and human rights.

Theresa May's final Brexit deal included a commitment to a 'level playing field' in areas including state aid, competition, taxation, environmental standards and labour and social protections in the legally binding Withdrawal Agreement. However, Boris Johnson's new deal removes this clause from the legally binding Withdrawal Agreement, placing it instead in the non-legally binding Political Declaration.

There is concern that this move lays the foundation for this government to further deregulate the economy under the guise of cutting 'red tape'. Many of the legal protections which serve to promote gender equality in the UK have their inception in European Directives and regulations. These include laws on maternity discrimination, sexual harassment and discrimination at work, flexible working provisions, equal pay for equal work and shared parental leave.

Although these protections are contained in UK law once we leave the EU there would be nothing to prevent the UK government reducing these. The removal of a commitment to a 'level playing field' on competitiveness in the Withdrawal Act increases the scope for the alteration or removal of these hard-earned rights and protections.

## Equality Impact Assessment

Boris Johnson finalised and published the details of his agreement on 17 October 2019 ahead of a vote in the House of Commons on 19 October 2019. What was not published, if it exists at all, was an assessment of the differential impact this economic and social disruption will have on women and other marginalised groups. In fact, since 2016, the government has failed to publish equality impact assessments of the impact of different Brexit options.

Under the Public Sector Equality Duty, contained in the 2010 Equality Act, the government has a legal obligation to have 'due regard' for the impact of policy on people with 'protected characteristics' including women. However, given the timeline of events there will not be time to undertake a meaningful equality impact assessment before MPs vote on this agreement. Without this important and legally required analysis, MPs do not have all the information to make an informed decision about how this Brexit deal will affect their constituents particularly those who experience disadvantage or discrimination in the economy, including women.

A no deal Brexit continues to be the biggest threat to women's economic status and rights: WBG has set out the gendered consequences of 'Operation Yellowhammer' elsewhere<sup>9</sup>. For more information on the impact of Brexit on women see our 2018 report: *Exploring the Economic Impact of Brexit on Women*<sup>10</sup>.

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<sup>9</sup> WBG (2019) Operation Yellowhammer: a briefing from the UK Women's Budget Group <https://wbg.org.uk/analysis/operation-yellowhammer-briefing-from-the-womens-budget-group/>

<sup>10</sup> WBG (2018) Exploring the economic impact of Brexit on women <https://wbg.org.uk/wp-content/uploads/2018/03/Economic-Impact-of-Brexit-on-women-briefing-FINAL.pdf>