

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 reports¹ and briefings² 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 damaging³.

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.

Equality Impact Assessment

Boris Johnson's government finalised and published the details of his agreement on 17 October 2019 and published an [impact assessment](#) on 21 October 2019. Parliament will begin to debate and scrutinise the Bill 22 October 2019. The government has not allowed enough time to comprehensively assess the equalities and other impacts of this agreement. There is an 'Equalities' statement in the government's impact assessment accompanying the Withdrawal Bill, but this simply states:

*"The Public Sector Equality Duty requires that public bodies have due regard to advancing equality. The Withdrawal Agreement and the Political Declaration will end the Article 50 process in an orderly way, ensuring that the Government is having due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations. These provisions have no undue effect on particular racial groups, income groups, gender groups, age groups, people with disabilities, or people with particular religious views."*⁴

There is then a paragraph on EU citizens' rights which does not cover specific groups with 'protected characteristics.'⁵

As the clause rightly states, 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, this statement does not equate to a meaningful assessment of the impact of Brexit on women or any other equalities group. The Women's Budget Group 2018 report with the Fawcett Society, 'Exploring the Economic Impact of Brexit on Women', as well as subsequent analysis highlights the many impacts that Brexit will have on equality.⁶ In particular there are significant economic and legal impacts of the Withdrawal Agreement that should have been considered in any meaningful impact assessment.

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 women, especially the poorest women, BAME women and disabled women.

¹ WBG (2018) Exploring the economic impact of Brexit on women <https://bit.ly/32D2yt8>

² WBG (2019) Operation Yellowhammer: a briefing from the UK Women's Budget Group <https://bit.ly/2J9ddDV>

³ WBG (2018) Exploring the economic impact of Brexit on women <https://bit.ly/32D2yt8>

⁴ Gov.uk (2019) Impact Assessment: the Withdrawal Agreement Bill <https://bit.ly/2ME0dlW> (p68)

⁵ Gov.uk (2019) Impact Assessment: the Withdrawal Agreement Bill <https://bit.ly/2ME0dlW>

⁶ WBG (2018) Exploring the economic impact of Brexit on women <https://bit.ly/32D2yt8>

The Chancellor, Sajid Javid, has refused to publish a comprehensive account of the impact of this deal on the economy. However last year the government published an impact assessment of the type of limited free trade deal proposed by Johnson. This concluded that such an agreement 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 2034⁷.

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.⁸

Meanwhile, 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.⁹)

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 any economic downturn will disproportionately impact women given their existent overrepresentation in poverty¹⁰ and precarious labour.¹¹ IPPR has calculated that in terms of employment impact women would be hit harder than men if there was a no deal Brexit.¹²

Furthermore, 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.¹³

Legal impact: the 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.

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. This is cause for concern especially in pursuit of new free trade agreements (FTAs) with the EU and around the world.¹⁴

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 removed this clause from the legally binding Withdrawal Agreement, placing it instead in the non-legally binding Political Declaration.

The Withdrawal Agreement Bill published 21 October 2019 states that where the UK introduces legislation effecting workers' rights the relevant Minister must either make a statement that the legislation will not reduce workers' rights to below retained rights from the EU (statement of non-regression) or a statement

⁷ 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>

⁸ <https://wbg.org.uk/wp-content/uploads/2018/03/Economic-Impact-of-Brexit-on-women-briefing-FINAL-1.pdf>

⁹ 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>

¹⁰ Women account for 90% of single parents, 45% of whom are living in poverty according to the DWP figures this year: WBG (2019) DWP data reveals: women and children continue to be worse affected by poverty <https://wbg.org.uk/blog/dwp-data-reveals-women-continue-to-be-worst-affected-by-poverty/>

¹¹ WBG (2018) Employment and earnings <https://wbg.org.uk/analysis/2018-wbg-briefing-employment-and-earnings/>

¹² <https://www.ippr.org/research/publications/an-equal-exit>

¹³ 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/>

¹⁴ WBG (2019) The gendered impacts of trade and investment agreements <https://bit.ly/33VESR4>

that the legislation will reduce workers' rights but that the Government '*nevertheless wishes the House to proceed with the Bill.*'¹⁵

This does not stop new legislation from repealing or overwriting rights contained in EU law, it only ensures the government must be transparent about doing so.

When the EU introduces new workers' rights (like the Work Life Balance Directive due to be implemented early next year) the relevant Minister will have to either make a statement that UK law confers the same kind of rights, (a statement of non-divergence) or that such a statement cannot be made. If the government cannot make a statement of non-divergence (because workers' rights in the UK are not keeping pace with the EU), the Minister will be obliged to state whether or not the government intends to act and if so, what action it will take.¹⁶

The 'non-regression' and 'non-divergence' clauses therefore do not oblige the UK government to maintain the existing rights UK workers have as EU citizens, nor to keep pace with any new rights introduced by the EU. They simply require the government to state whether or not rights are being maintained or improved in line with rights in the EU.

Women's Budget Group does not consider these clauses sufficient protection for women's hard-earned rights and social protections. There is no standalone protection, in law, to stop the next government regressing on workers' rights or women's rights.

This move lays the foundation for this government to further deregulate the economy under the guise of cutting 'red tape'. 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 standards¹⁷.

Conclusion

The deal set out in the Withdrawal Agreement Bill is a 'hard Brexit' which puts women's economic and social rights at risk. Neither parliament nor the government has had sufficient time to assess the impact or severity of these risks to different groups of society, including women.

For more information on the impact of Brexit on women see our 2018 report: *Exploring the Economic Impact of Brexit on Women*¹⁸.

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¹⁵ European Union (Withdrawal Agreement) Bill, Schedule 5a, Part 1 <https://bit.ly/2MZBDkC> (p62)

¹⁶ European Union (Withdrawal Agreement) Bill, Schedule 5a, Part 2 <https://bit.ly/2MZBDkC> (p62)

¹⁷ WBG (2019) The gendered impacts of trade and investment agreements <https://bit.ly/33VESR4>

¹⁸ WBG (2018) Exploring the economic impact of Brexit on women <https://bit.ly/32D2yt8>