



## Brexit: GQ predicts the future

Before, after and during the Brexit vote we have all been inundated with articles telling us what might happen if / when the UK leaves the EU. Virtually every piece contains the now traditional refrain that nothing is certain, anything could happen, and we will just have to wait and see.

But we think this caution is a little misplaced. With some care, you can make some basic predictions about some of the key potential impacts of Brexit on employment law. While anything could happen, the realistic range of possibilities is considerably narrower. With the necessary caveat that we are employment lawyers and not soothsayers, here are GQ's top 3 predictions for a post-Brexit future.

*Prediction No. 1: No EU nationals currently in the UK will have to leave.*

The question of whether non-EU nationals will be entitled to remain in the UK has been top of many employers' agendas, and the prospect of suddenly having to make visa applications for large numbers of staff fills HR managers' hearts with dread. The issue has also been high up the political agenda, with Theresa May refusing to give any guarantees this week in a press conference with the Italian PM.

Our view is that any decision that led to the UK having to ask 5% of the UK's population to leave (and to deport them if they did not) is just inconceivable. Whatever the Government is currently saying on the topic is really just positioning for the purposes of the forthcoming withdrawal negotiations. We might see a cut-off date for future arrivals, but it is very unlikely that any EU citizens now in the UK will have to leave. There will however be far greater restrictions on EU citizens from some point in the future, although probably not going back to the date of the referendum itself. The detail around this will depend on how successful or otherwise (depending on your view point) the negotiations of the British government are.

*Prediction No. 2: In at least two years' time, Brexit will cause some small changes to employment law.*

This might sound like a very timid prediction indeed. There certainly hasn't been a two-year period in the last two decades that hasn't seen some fairly significant changes to employment law. But our point is that all those pre-Brexit predictions (from both sides of the debate) of a wholesale bonfire of workers' rights are unlikely to come to pass. Instead, we predict a tinkering around the edges of employment law, with the possible repeal of some working time legislation, perhaps the Agency Worker Regulations, and just perhaps



(but probably not) the imposition of a cap on discrimination claims. None of this will happen for at least two years and it may be longer than that as it depends on when (and perhaps if) the government triggers the formal process of leaving the EU (the article 50 process about which so much has been written).

These sorts of changes will not have a significant impact on the day-to-day lives of employers, employees or even HR professionals and employment lawyers. They pale into insignificance compared to, for example, the introduction of the national minimum wage, or the statutory union recognition regime. We will not see the death of discrimination or the termination of TUPE, whether we end up with Norway plus/minus, the Switzerland model or something else. It will be something of a damp squib!

*Prediction No. 3: Everything and anything will be blamed on Brexit.*

This week saw Lloyds Banking Group announce a further round of job reductions. The early reporting linked these redundancies firmly to the Brexit vote, even though the decision was apparently taken before the referendum. Barclays are also making similar noises.

To take another example, we have seen diametrically opposed predictions from the (much-maligned) experts on the impact of Brexit on M&A activity, with some anticipating a surge caused by volatile currency fluctuations and depressed valuations, while others foresee a slump caused by uncertainty. Whatever the outcome, surely Brexit will get the blame or credit.

Although Brexit's impact on employment law is unlikely to be dramatic, Brexit itself is nevertheless the biggest constitutional change in the UK for decades. The repercussions are going to continue for years with effects on the global economy. Theresa May, as the new prime minister, will have her work cut out and one of the first things she will have to do, after having coined the phrase that Brexit means Brexit, will have to explain what Brexit actually means.