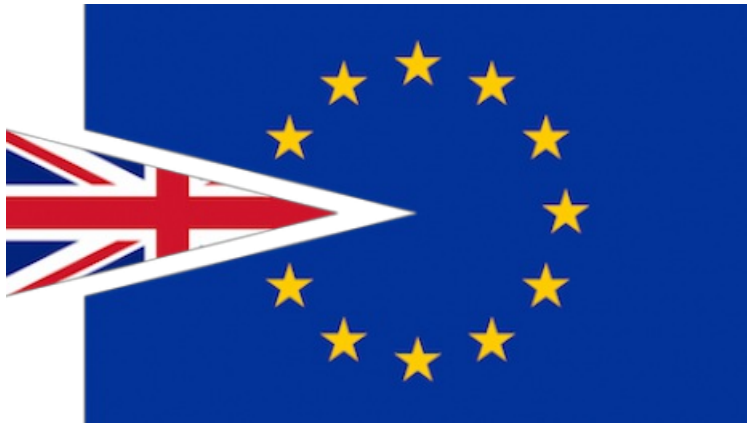


GOVERNMENT

Brexit date could get bumped as Theresa May offers vote

February 26, 2019



Brexit continues to approach with uncertain terms. Image credit: European Union

By STAFF REPORTS

The deadline for the United Kingdom to leave the European Union may be pushed back, as Prime Minister Theresa May offers Parliament a vote to avoid a no-deal scenario.

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After suffering significant opposition on the existing deal with the E.U., Ms. May is preparing for the potential that the legislature cannot reach an agreement ahead of the approaching March 29 date for Article 50. Ms. May has agreed to allow a vote to extend the deadline for Brexit, a move that reduces but does not discount the possibility of a no-deal split.

Brexit uncertainty

In January, a parliamentary vote on Ms. May's plan to take the United Kingdom out of the European Union failed, leaving the nation with an uncertain path forward.

As the March 29 deadline for Brexit looms, the House of Commons showed strong opposition to the current negotiated deal with the European Union, with 432 members voting against it compared to 202 pro-deal votes. The potential for a no-deal exit from the organization still exists, causing concern among business sectors that rely on cross-border trade, talent and travel ([see story](#)).

On March 12, Ms. May will present a revised deal to Parliament. Should she fail to get the votes she needs, she has agreed to hold a vote one day later to see if there is consent among the members of parliament to leave without a deal.

Should that fail, another vote will be held the following day on whether to postpone Brexit.

Even if the members vote to delay Brexit, a postponement would still need approval from E.U. member countries.

A new government report on Brexit projects that the U.K. economy would be between 6.3 and 9 percent smaller in 15 years if no deal is in place before the country leaves the E.U.

Without trade deals, businesses whose supply chains are centered in the E.U. would find themselves facing addition

customs requirements and costs.

One of the sectors that would be hit hard by tariffs is the auto industry, of which about 43 percent of all production is exported to the European Union. Only 20 percent of all cars made in the U.K. remain in the nation.



Jaguar Land Rover's plant in Solihull. Image courtesy of Jaguar Land Rover

British fashion label Burberry missed expectations for this past quarter, and stressed the importance of avoiding a no-deal Brexit policy.

Burberry has joined numerous other British manufacturers who fear disruption to their supply chains if the country does not have a firm agreement with the European Union on trade matters. The label's chief operating and financial officer detailed how it would affect the brand's business during its earnings call on Jan. 23 ([see story](#)).

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