

Hard Brexit could cost 100,000 Irish jobs

A new report from the Central Bank of Ireland indicates that as many as 100,000 Irish jobs could be lost as a result of a hard Brexit.

The Central Bank of Ireland has issued its starkest warning to date, claiming a no-deal Brexit could cost as many as 100,000 jobs in Ireland in the medium-long term.

It also forecasts that a hard Brexit could result in 34,000 fewer jobs by the end of next year, affecting both Irish SMEs and multinationals.

This news comes just a week after Boris Johnson took office as the new Prime Minister of the United Kingdom. Mr Johnson has three months to negotiate an exit deal before Britain leaves the European Union on October 31st.

These are challenging times for the new Prime Minister following the Sterling falling to a 28-month low earlier this week, however speaking about Brexit, Johnson said there is an “assumption that we can get a new deal” and that he wanted to reach out to European leaders, which will come as good news to Ireland.

“In the event that a no-deal Brexit were to occur, there would be a significant weakening of activity across many parts of the economy. Our current projection is that in the event of a no-deal Brexit, the economy would expand by 0.7 per cent in 2020, as opposed to 4.1 per cent if a deal can be agreed,” the Central Bank said.

“A disorderly Brexit would present enormous challenges for the Irish economy, especially in the near term, and would result in a loss of output and employment compared to a scenario where the UK remained in the EU,” the Central Bank added.

The report estimates that Ireland’s GDP growth would slump from 4.5 percent this year to 0.7 percent in 2020 in the event of no deal. However, if Britain leaves the EU with an agreement, Ireland’s GDP growth would likely only drop from 4.9 percent this year to 4.1 percent in 2020.

These new figures suggest a significant difference to what the Government projected a month ago, where it said up to 55,000 jobs would be lost in the medium-long term if a hard Brexit was to occur.

Written by Stephen Larkin

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