# Six months on from Brexit, has the UK really taken back control?



UK Prime Minister Boris Johnson drives a JCB through a symbolic wall during an election campaign event at a JCB plant, Uttoxeter, England, December 10, 2019.

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The promise of freedom to "take back control" of the UK's borders, money and laws struck a chord with many voters in the run-up to the Brexit referendum.

Nearly 18 months after the UK left the EU, and half a year since its new independence took effect, what has Boris Johnson's government done with its new autonomy? And what does it plan for the future that is different from its previous life as an EU member?

In some areas, such as immigration policy, the changes are striking, now that the EU's "freedom of movement" rule no longer applies. Farming too is bound for a shake-up outside the Common Agricultural Policy.

But in other matters, the extent of real change is unclear. New trade deals have been hailed as among Brexit's most tantalizing prizes. Yet the likely impact of the

UK's first such accord — with Australia — is hotly debated, and details remain to be thrashed out.

The ability to sever ties from the EU's rulebook has also been much vaunted. The UK is free to set its own regulations, subject to conditions imposed by the Brexit trade deal. Some of the government's supporters have called for a "bonfire" of Brussels red tape. So how far will it go in practice?

"Perhaps the most striking feature of post-Brexit Britain is how similar it looks to pre-Brexit Britain," Simon Usherwood, Professor of Politics at the Open University, told Euronews. "For all the talk in the years since the referendum about taking back control, there have been relatively few clear examples of this resulting in radical change in policy."

### Immigration: stricter rules, fewer workers

Before Brexit, millions of EU citizens moved to the UK to work and settle. Those already living in the UK by the end of 2020 have had to register, and the **deadline has now expired** for them to apply for formalized residency.

But new arrivals into the country from Europe now fall under the same rules as people from the rest of the world; they no longer have preferential treatment. Instead, the government is implementing a **new points-based system** to attract skilled workers.

The impact of coronavirus pandemic restrictions on movement and the new post-Brexit rules have resulted in fewer job candidates from the EU. One **labour market survey** in June found that worker availability had plunged at the fastest rate since 1998, supply unable to meet surging demand as pandemic restrictions are eased and the economy opens up.

In particular, sectors such as hospitality and agriculture that used to rely heavily on EU workers have reported serious recruitment problems.

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- 'Devastating': Crops left to rot in England as Brexit begins to bite
- Britain's kitchen nightmare: Staff shortages across hospitality sector

#### blamed on Brexit

In June, logistics and food and drink industry groups wrote to the prime minister warning that a chronic shortage of lorry drivers could disrupt supplies as coronavirus restrictions were eased. The UK's departure from the EU was one of several factors listed.

As well as the pandemic, "the uncertainty of Brexit and future rights to live and work in the UK" has forced many of the thousands of drivers from the EU who used to be based in the UK to go back to their countries of origin, the **joint letter said**. "The vast majority have not returned nor are they expected to."

The **government's response** to the shortage has been to allow drivers to work longer hours temporarily, a move opposed by transport industry groups.

The end of the free movement principle has led to thousands of Europeans being **refused entry to the UK**, while some were even **detained and deported** on arrival, prompting an outcry and a pledge from the authorities to stop the practice.

The government has published **a bill to tighten UK asylum rules** post-Brexit. However, the UK has left the EU's Dublin scheme, which allows countries to return asylum seekers to an EU state they passed through. It is now struggling to reach new agreements with countries willing to accept those it wishes to deport.

# Trade deals: 'Global Britain' put to the test

Post-Brexit, the UK is free to pursue an independent trade policy and from 2021 can implement its own trade deals with other countries.

In June, the British government announced it had secured a new **trade deal with Australia**, in what it said was "the first major trade deal negotiated from scratch by the Government since we left the EU".

British products will be cheaper to sell into Australia, it said, while British farmers will be protected. But the opposition Labour party described it as a "sell-out".

The same month the government also unveiled a deal with Norway, Iceland and Liechtenstein, while in October 2020 it signed a **deal with Japan**. But these largely built on arrangements the UK had with these countries when it was still a member of the EU.

"Despite the numerous trade deals concluded since leaving the EU in January 2020, almost none of these have been anything more than identical replacements of those lost by leaving the EU," Simon Usherwood said.

"Even where there have been new deals — as with Canada or Australia — these have contained only very modest additions to the existing arrangements: the UK seems to value having a deal rather than having a meaningful deal. Certainly, the economic impact of these will be trivial in comparison to losing access to the EU's market."

The British government estimates the Australia trade deal will boost UK GDP by about 0.02% over 15 years. According to the Office for Budget Responsibility, Brexit as a whole is expected to leave the UK's economy 4% smaller than it would otherwise have been inside the EU.

# Regulation: the cost of cutting loose from Brussels

The UK's ability to diverge from EU rules and introduce its own standards was touted as one of the essential components of Brexit. Yet that does not necessarily mean it will always be in the country's interests to do so.

Britain's finance minister set out his vision on July 1 for **reforming financial services**, which were largely left out of the post-Brexit trade deal with the EU. In doing so, Rishi Sunak accepted that the UK's wish to see a regulatory "equivalence" deal with Brussels had failed.

There are plans to **amend several rules** inherited from the EU, in an attempt to strengthen London as a global financial centre. In particular, the government says there is a compelling case to amend EU insurance capital rules known as **Solvency II**, which a **Downing Street task force** led by ex-Conservative leader Iain Duncan-Smith has described as restrictive to investment.

Among dozens of other recommendations, its report calls for an easing of pension fund investment rules — a proposal which earlier this year brought an **industry warning** that it could lead to higher charges.

As the City of London's ties to the EU have weakened, much business and many jobs have crossed the English Channel to the **continent's financial hubs**.

The government task force also recommends an overhaul of EU rules on clinical trials for new drugs. It calls for the same treatment for EU data protection laws, one of several areas where **in 2020 Boris Johnson said** "the UK will in future develop separate and independent policies".

But the **European Commission's decision** judging the UK's data protection standards to be "adequate" — meaning digital information can continue to flow between the UK and the bloc — is based on the fact that London has not changed its regime so far. As a safeguard the move is only valid for four years, the Commission vowing to intervene should Britain diverge.

The workplace is another area where little change is expected. In January the British government scrapped a planned review of EU employment law, after denying it intended to water down workers' rights. The post-Brexit trade deal includes a pledge not to reduce labour and other standards as part of a commitment to maintain a "level playing field".

Britain must abide by EU data protection rules after Brexit, says
European Commission

### Farming: a new world, but how brave?

Brexit has brought significant changes to agricultural regulation in the UK. The trade deal avoids tariffs and quotas, but food exporters have been hit to varying degrees by new border controls and red tape. In some cases, the pandemic has however boosted local consumption.

The UK is now out of the EU's Common Agricultural Policy, long controversial in the farming community as the country received much less in subsidies than it contributed. Instead, the nations of the UK are to set their own agricultural support systems.

In England, a new Environmental Land Management (ELM) scheme, set out in agriculture legislation, links subsidies to land use.

But a major review of the UK's food system published on July 15, the **National Food Strategy**, calls for more clarity, arguing it is difficult for farmers to plan ahead as they don't know how money is to be distributed. It also wants current funding levels to be guaranteed beyond 2024, as is pledged, until 2029.

UK farmers are increasingly diversifying into areas such as renewable energy and tourism, to offset the potential loss of subsidies, another **report** found in July.

Farmers have also been concerned about the impact of new UK trade deals with other countries, such as Australia, amid fears that they could be undercut by imports. The National Food Strategy report warns the government against backtracking on promises to protect the environment, animal welfare and food standards.

The UK's new post-Brexit system "claims to put environmental concerns more prominently," Simon Usherwood of the Open University told Euronews. "However, even here the change is both gradual — with a phasing out of the old system — and limited — farmers will still be one of the more protected sectors of the economy, with tariffs limiting foreign competition."

- Post-Brexit Guide: Five years since UK vote, where are we now and how did we get here?
- Five years on, how has Brexit changed Europe?

### Take back control — and then?

One of the reasons British people often gave for voting for Brexit was that they didn't like the UK being "told what to do" by Brussels. But exactly what the country should or would do untethered has since been the subject of fierce debate.

Even Boris Johnson's government — which envisages a much more distant relationship with the EU than did the prime minister's predecessor Theresa May

— has hesitated before throwing out some of the old rules.

"Overall, the reason for this lack of strong movement in policy boils down to the perennial problem of Brexit: there's no generally-agreed rationale for it," argues Simon Usherwood.

"The referendum provided a decision, but not a logic or a plan, and no one has been able to articulate how leaving the EU fits into a bigger project of the UK's role in the world or the society that it wants to be. Unless that changes, then drift is likely to continue."

#### Source:

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