

Remain economic forecasts left in shreds

The Treasury and other pro Remain economic institutions told us before the vote that if we voted to leave the following would happen. There would be a big loss of jobs. House prices would tumble. There would be a large loss of output. The pound would fall. This would happen as a result of the vote – they did not say it would only happen after we had left. When their forecasts proved to be wildly wrong., they then shifted their ground and said some of these same effects on a smaller scale would happen after we have left.

So what did happen and what will happen next year?

Employment surged from 2016 to early 2020, with employment rising from 74% to 76.5% of the potential workforce, with continuing inward migration increasing the size of the workforce at the same time. The CV 19 hit still leaves it higher than in 2016 prior to the vote.

House prices continued to rise in cash terms throughout the period post the vote.

GPD growth remained satisfactory from mid 2016 until the CV 19 disaster this year

The pound fell from \$1.42 to \$1.31 shortly after the vote, but went back up to \$1.42 by April 2018. It has fluctuated since and is currently at \$1.33.

What will happen after we have left the single market and customs union?

According to official forecasts from forecasters known for their belief in the advantages of the single market, the UK economy will experience the sharpest rate of improvement in 2021 it has seen for decades. The CBI thinks we will grow a lively 6% in 2021 and a further 5.2% in 2022. Oxford Economics thinks we will grow by more than 10% next year and outgrow other European economies and the USA by a large margin.

So our first year as an independent nation will likely see a great growth rate, contrary to expectations. Of course the pandemic has a lot to do with this, but it just shows how wrong the pessimistic forecasts of the Remain forecasters proved to be. They themselves are now forecasting a much better outcome in 2021.