

The planes will fly and the City will be fine

The Bank of England has told its regulated businesses to prepare for No Deal. It has also asked them how many jobs would be lost on the worst case scenario from the City. Their answer, we are told today, is 75,000. It is difficult to believe their figure. What I see is companies continuing to commit to new space and new recruits in London at a time when there is no sign of a deal. I also hear from the continent that many financial businesses there are keen to keep their access to London and its large pools of talent and capital. The Bank at least has scaled back its gloom, which got all its forecasts wrong about growth and job losses for 2016-17 on the back of a No vote. UK Employment increased then when they said it would fall.

Meanwhile one of the gloomy worries put around that the planes will not fly the day after Brexit if we leave without a deal has been refuted by someone who should know. Willie Walsh, the CEO of British Airways has said he expects the planes to fly. Will the doom mongers now stop using this absurd forecast? BA is owned by IAG who have every interest in UK planes flying to the continent and Spanish planes flying to the UK. They are right to expect that to continue, even without a UK/EU general Agreement.