

A 'no-deal' Brexit could hit 100,000 German jobs, study claims

-A new study from Germany claims the European nation would be worst affected by a fall in UK imports.

-The estimate claims more than 100,000 German jobs could be affected by a 25 percent dip in British buying of foreign goods.



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A U.K. exit from the European Union (EU) with no pre-arranged deal could affect more than 100,000 jobs in Germany, according to a new academic study.

The Leibniz Institute for Economic Research Halle (IWH) and the Martin Luther University Halle-Wittenberg looked at the effect of a hard Brexit, breaking it down to the impact on countries, districts and cities.

Researchers assumed that British imports from the European Union would collapse by 25 percent following a contract-free exit. At that decline, the authors estimated around 612,000 employed people in 43 countries around the world would be affected.

They then estimated that, in- terms of overall employment, Germany would be the worst hit of all the countries that the U.K. trades with, offering a potential impact on more than 100,000 jobs.

The report, published last week, said that the motor industry is the sector most affected by Brexit, noting that in Germany alone around 15,000 people are employed solely to facilitate exports to the U.K.

Around 59,000 jobs servicing Chinese buying of U.K. imports would also be affected according to the study, although these would be related to intermediary companies rather than direct Chinese employees.

Relative to a country's size, Ireland and Malta rate the worst with as many as 1 and 1.7 percent of people employed in those countries affected by a "no-deal" Brexit, respectively.

The prospect of the U.K. leaving the EU without a deal is a risk, especially after the British Parliament rejected a draft agreement reached between Prime Theresa May's government and the European Union.

Britain is due to leave the 28-nation bloc at 11:00 p.m. GMT on March 29.



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Sources: <https://www.cnbc.com/2019/02/18/a-no-deal-brex-it-could-hit-100000-german-jobs-study-claims.html>

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